

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No 2100721
by Altmuhltaler Heilquellen GmbH to register a
trade mark in Classes 14, 18, 25, 28, 29, 30, 32 and 33**

**AND IN HE MATTER OF Opposition thereto
by Mobil Oil Corporation under No 47879**

Background

1. On 16 May 1996, Altmuhltaler Heilquellen GmbH applied for the registration of the trade mark shown below:



2. The application was accepted and published for opposition purposes for the following goods in Classes 14, 18, 25, 28, 29, 30, 32 and 33

Class 14

Goods made from or plated with precious metals or their alloys, namely art and craft objects, ornaments, tableware (except cutlery) table decorations, ashtrays, cigar and cigarette cases, cigar and cigarette holders; jewellery, gemstones including fashion jewellery as well as cuff-links and tie-pins; watches and time measuring instruments as well as cases for same; key-fobs.

Class 18

Leather or imitation leather goods, namely handbags and rucksacks, holdalls, sports bags, suit carriers, vanity cases, purses, wallets, key wallets; hides and skins; travelling and hand luggage cases; umbrellas, parasols and walking sticks; whips, horse-tackle and saddler's goods; goods made from synthetic materials, namely clothes covers.

Class 25

Headgear, shoes and boots.

Class 28

Games, toys; apparatus for gymnastics and sports; ski equipment, including

snowboards, tennis gear, fishing tackle; ski-cricket and golf bags; skis, ski-bindings, ski-sticks, ski-edges, ski hides; balls for games; tennis, cricket, golf and hockey bats; skates and roller-skates; christmas tree decorations; electrical or electronic games; nets for ball games, tennis nets; fishing tackle (angling apparatus).

Class 29

Tinned, bottled, dried and cooked fruit and vegetables; jellies; jams and preserves, fruit sauces; eggs, milk and milk products, food oils and fats; meat, fish, fruit and vegetable preserves (tinned); mixed milk drinks with predominant milk content; desserts made of yoghurt, cottage cheese and cream.

Class 30

Coffee, tea, cocoa, sugar, rice, tapioca, sago, coffee substitutes, flour and grain preparations; bread, fine bakery goods and confectionery, ices; (foods), honey, molasses-syrup; yeast, baking powder; salt; table salt; mustard vinegar, sauces, condiments; spices; refrigeration-ice; coffee, tea, cocoa or chocolate drinks; coffee or cocoa preparations for making non-alcoholic (soft) drinks; cereals prepared for human alimentation, in particular oat flakes or other grain flakes; aroma flavouring substances for food.

Class 32

Mineral waters and carbonated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for the preparation of drinks.

Class 33

Alcoholic drinks; wine; sparkling wine, spirits and liqueurs.

3. The published application also included goods and services in Classes 3, 16, 39 and 41, but these classes were subsequently deleted from the application.

4. On 3 December 1997, Mobil Oil Corporation filed a Notice of Opposition to the application. The grounds of opposition (insofar as they were pursued before me) are that:

- (a) The opponent is the proprietor of various UK registrations consisting of a winged horse device in Classes 1, 2, 4, 7, 9, 11, 12, 17 and 37. Full details of the specifications of goods/services of the opponent's registrations can be found at Annex 'A'. There are minor representations between the various marks but these are not material. A representation of the opponent's device mark is shown below.



- (b) The opponent is also the applicant for six registrations of the same winged horse device as a Community trade mark. The effective date of these applications is 1 April 1996. In addition to the classes in respect of which the winged horse device is registered in the UK, the Community applications covers additional goods and services in Classes 3, 16, 19, 36, 39 and 41.
- (c) The opponent's mark has a reputation in the United Kingdom in respect of goods and services for which it is registered and that are dissimilar to the applicant's goods. The applicant's mark is identical or similar to the opponent's mark and would, without due cause, take unfair advantage or be detrimental to the distinctive character or repute of the earlier mark. Registration of the applicant's mark would therefore be contrary to Section 5(3) of the Act.
- (d) The opponent enjoyed a reputation and goodwill under its winged horse device mark in the UK prior to the date of the application such that use of the applicant's mark was liable to be prevented by the law of passing off. Registration would therefore be contrary to Section 5(4)(a) of the Act.
- (e) The statement on the form of application pursuant to Section 32(3) of the Act was untrue in that the applicant had no bona fide intention to use the mark at the date of application or, alternatively, had no bona fide intention to use the mark in respect of all the goods listed in the application. Consequently, the application was made in bad faith and should be refused under Section 3(6) of the Act.

5. The applicant filed a counterstatement admitting the existence of the opponent's registered trade marks in the UK and that the opponent is the applicant for the Community trade marks claimed. Otherwise the grounds of opposition are denied.

6. Both sides seek an award of costs.

7. The opponent subsequently filed evidence in support of its grounds of opposition. This takes the form of a statutory declaration dated 23 December 1998 by John Martin Banfield (who is the Vice President of Mobil Europe Ltd), and a statutory declaration by Stephen Keith (who is a partner in the firm of Probe International Inquiry Agents). The applicant filed no evidence.

8. The matter came to be heard on 29 March 2001 when the applicant was represented by Mr S Cummings of David Keltie Associates and the opponent was represented by Mr S Malynicz of Counsel instructed by Clifford Chance.

Section 5(4)(a)

9. I will first deal with the ground of opposition under Section 5(4)(a) of the Act, which is as follows:

"5.-(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

- (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade."

10. The essential elements in the tort of passing off are well established and summarised in WILD CHILD 1998 RPC 455. The requirements are that:

- (a) The claimant possesses a goodwill in a business identified by some distinctive indicia;
- (b) There has been or is in prospect, a misrepresentation by the defendant (whether intentional or not) likely to engender a false belief that there exists a relevant trade connection between the goods of the defendant and the claimant;
- (c) With the result that there is damage to the goodwill of the claimant.

11. The opponent relies upon the evidence of Mr Banfield to support its claim to have possessed a goodwill identified by the winged horse device at the relevant date. The relevant date being 16 May 1996, the date of the application.

12. Mr Banfield states that:-

"In the UK and throughout the world, Mobil searches for and produces oil and gas, processes crude oil into fuels, lubricants, petroleum feedstocks and other products at its own refineries, and markets its products and services to bulk purchasers and the private consumer. Until November 1996 its retail activity was carried out through its worldwide network of filling stations and associated mini-marts which supplied goods and services of use to the motorist. A substantial chain of such mini-marts existed in the UK where the goods and services supplied included the following: petrol and oil, air and water, automobile accessories and parts and fittings for automobiles, food and drink, cigarettes and snacks, road maps, flower and newspapers.
.....In each of the petrol stations and mini-marts a large number of goods such as lubricants and accessories are sold carrying the FHD trade mark."

13. Mr Banfield further states that:

"Mobil has used a Flying Horse Device (the "FHD") in relation to its goods and services for over sixty years. Evidence of the historic use of this trade mark is apparent from a publication entitled "Mobil at 125" now shown to me and marked "JMB2". Now produced and shown to me marked "JMB3" is an extract from the current Mobil Graphic Standards Manual which illustrates some of the more recent uses of the FHD. In fact, the FHD is used ubiquitously throughout all Mobil businesses and is the company's corporate symbol. It appears prominently at all Mobil installations whether they be offices, refineries, or filling stations/mini-marts. It appears above each petrol pump and on Mobil's oils, lubricants and automobile accessories. Snacks and drinks are dispensed from containers bearing the FHD. It appears on all company and distributor delivery trucks, aircraft re-fuelling vehicles, staff uniforms and the Mobil House flag. It is the watermark on all Mobil stationery and appears in many Mobil publications. All such use started before 1996, the year in which the Applicants applied to register the trade mark in suit."

14. Mr Banfield provides figures for Mobil's worldwide and European turnover for the years 1993-1996. As one would expect from a major oil company, the figures are very substantial. The figure for European turnover in 1995 is "not less than US \$ 24,000 million". Figures are also provided for Mobil's advertising and promotion expenditure. In 1996, Mobil spent "not less than US \$ 76 million" promoting itself in Europe. Separate promotional expenditure figures are provided for the UK for 1993 and 1994. In 1994 "not less than UK £19 million" was spent on promotion.

15. There can be little doubt that Mobil enjoys a reputation and goodwill as an oil company. The applicant disputes that the opponent has demonstrated that this goodwill extends to other forms of merchandise. The applicant further disputes that the opponent has demonstrated that the goodwill in its business is, to any significant extent, identified by its winged horse device trade mark.

16. The opponent claims to have a "substantial chain" of filling stations with associated "mini-marts" operating in the UK at the relevant date. No further details have been provided (such as the number of such filling stations or their geographical distribution). There are a couple of pictures of such filling stations (at exhibit JMB1) which show use of the winged horse device in relation to filling stations, although the more up to date pictures suggest that the word MOBIL is given greater prominence. There is also some evidence (in exhibit JMB4) of the use of the winged horse device on what looks like a representation of the back of a container for a motor oil.

17. There is nothing to support Mr Banfield's claim to have used the winged horse device directly in relation to other goods such as automotive accessories, or the claim to have sold snacks and drinks from containers bearing the device. The latter point hardly matters. Even if snacks and drinks were sold from containers so marked (I take the reference to "container" to be a reference to the item in the "mini-mart" from which the goods are sold rather than the packaging for the goods) this is likely to be use in relation to the retailing function of the mini-mart rather than use in relation to the goods, which may (and probably did) carry the trade marks of other undertakings.

18. In EURO MARKET DESIGNS INC v PETERS AND ANOTHER 2000 ALL ER (D) 1050, Jacob J considered a case where retailing activity was said to give rise to the use of the retail name 'in relation to the goods'. The following passage from his decision outlines his view on that proposition:

"56. That is not all on the question of non-use. If one looks at the advertisements they are essentially for the shops. True it is that some of the goods mentioned in the advertisements fall within the specification, but I doubt whether the reader would regard the use of the shop name as really being "in relation" to the goods. I think this is an issue worthy of trial in itself. The argument is that there is an insufficient nexus between "Crate & Barrel" and the goods; that only a trade mark obsessed lawyer would contend that the use of "Crate & Barrel" was in relation to the goods shown in the advertisement.

57. In this connection it should be borne in mind that the Directive does not include an all-bracing definition of "use", still less of "use in relation to goods." There is a list of what may inter alia be specified as infringement (Art 5(3), corresponding to s.10(4))

and a different list of what may, inter alia, constitute use of a trade mark for the purpose of defeating a non-use attack (Art 10(2), equivalent to s.46(2)). It may well be that the concept of "use in relation to goods" is different for different purposes. Much may turn on the public conception of the use. For instance, if you buy Kodak film in Boots and it is put into a bag labelled "Boots", only a trade mark lawyer might say that Boots is being used as a trade mark for film. Mere physical proximity between sign and goods may not make the use of the sign "in relation to" the goods. Perception matters too. That is yet another reason why in this case, the fact that some goods were sent from the Crate & Barrel US shops to the UK in Crate & Barrel packaging is at least arguably not use of the mark in relation to the goods inside the packaging. And all the more so if, as I expect, the actual goods bear their own trade mark. The perception as to the effect of use in this sort of ambiguous case may well call for evidence."

19. For much the same reason I cannot conclude, without further evidence, that the claimed use on "containers" for snacks and drinks is use "in relation to" either.

20. Exhibit JMB5 consists of a 'Promotional Merchandise and Gifts' catalogue which includes items of leisurewear and other products bearing the winged horse device and the word Mobil. This is dated 1998 - after the relevant date. The prices are in US dollars. And, at least in the case of some of the clothing items, other brands can be seen on the neck tag indicating that the presence of the winged horse device on the front of the garment is more likely to be limited to promotional use (for the company) rather than trade mark use (for the clothes).

21. Mr Malynicz was constrained to accept that there was no evidence of any trade in these goods under the mark in the UK or, prior the relevant date, anywhere else.

22. It is more likely that the use claimed in relation to automotive parts is use "in relation to" these goods, but in the absence of any clear evidence (as opposed to assertion) to that effect, I make no such finding of fact. In the event not much turns on this particular point because I do accept that there has been use of the winged horse device trade mark in relation to, filling station services, fuels and motor oil, all of which are in the same field of activity as the trade in automotive parts.

23. The scale of use of the mark is unclear and, as Mr Cummings pointed out, all the more so because the huge sums mentioned in Mr Banfield's declaration are not broken down so as to distinguish between, for example, the opponent's trade in oil exploration and refinement, and its retail trade in goods and services. However, I am prepared to accept that the opponent was an operator of filling stations in the UK prior to the relevant date, and that it had a trade in the UK in respect of, inter alia, motor oil and petroleum fuels.

24. According to Mr Banfield the winged horse device is, as the company symbol, used in respect of all the opponent's goods and services. According to the document entitled "Graphics Overview" (see exhibit JMB3) in Mr Banfield's evidence, the winged horse device is used as a secondary means of identification. The document states:

"The Pegasus or Flying Red Horse symbol functions as a secondary but important trade mark or identifying element for Mobil Corporation and its affiliates."

25. This is consistent with the more recent pictures of the opponent's filling stations (at exhibits JMB1 and JMB3) which show the name "Mobil" displayed prominently on the frontage of the filling stations with the winged horse device in a secondary role on a (quite large) circular sign at the pay kiosk. I also note that exhibit JMB3 ("Graphics Overview") includes a picture of the front of one of the opponent's containers for motor oil. The word 'Mobil' is again prominent. More so than the winged horse device which, according to exhibit JMB4, appears as a smaller sign on the reverse of the can.

26. Nevertheless, I accept that it is likely that enough of the opponent's customers would have come to associate the winged horse device with Mobil for its unauthorised use at the relevant date by another party, without further distinguishing signs, in relation to a trade in filling stations, fuels or motor oil, to have amounted to passing off.

27. Mr Cummings did not accept that the respective marks were similar, but taking account of the doctrine of imperfect recollection, I believe that the device in the applicant's mark shares the same essential features as the opponent's winged horse device. However, in the case of a passing off right it is necessary to consider how the opponent's business is identified, and it is therefore appropriate for me to bear in mind that the opponent's customers would have been accustomed to seeing its winged horse device in tandem with the word 'Mobil' rather than the words 'flying horse'. Consequently, it would not be safe to assume that the opponent's goods and services are widely known by the names "flying horse" or "winged horse."

28. That may not be enough to avoid confusion and deception if the applicant proposed to use its mark in relation to filling stations, fuel or oil. But it does not. Where the fields of activity are different, there is a greater burden on the opponent to establish that, despite the different fields of activity, there is nevertheless the likelihood of confusion and deception.

29. I find that the opponent has not discharged this burden. There is no direct evidence of the winged horse device having a substantial reputation with the public. The only evidence of the opponent's use of its mark on goods the same or similar to those in respect of which the applicant seeks protection, is use on promotional merchandise in a country outside the EU and after the relevant date.

30. Mr Malynicz submitted that the evidence of the existence of a merchandise catalogue in the USA was relevant because it confirmed that this was the sort of activity the public would expect the opponent to undertake. It followed, he suggested, that the use of a confusingly similar mark by the applicant would be mistaken as indicating a trade connection with the opponent. I reject that submission. There is no evidence of any history of the opponent having licensed its winged horse device mark that can be said to have educated the public to expect such a connection with the opponent. The sale of promotional merchandise is usually closely connected with the core trading activities that the merchandise is intended to promote. Thus, the sale of such goods out of that context would immediately place the public an enquiry. The fact that the respective marks at issue here are not even the same but only similar would be enough to dispel any remaining likelihood of confusion - even if the opponent had a history of selling promotional merchandise in the UK.

31. My attention was drawn to the fact that the applicant appears to use similar colours in the get-up of its energy drinks and associated merchandise, to those used by the opponent - red, white and blue. However, this is hardly a distinctive colour combination and there is nothing

in the evidence to suggest that the applicant has arranged its colours in such a way so as to ape the opponent's corporate livery. I do not believe that there is anything in this point either.

32. In all the circumstances I find that the opponent has really failed to get its passing off right claim off the ground. The opposition under Section 5(4)(a) fails.

Section 5(3)

33. Section 5(3) of the Act is as follows:

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 trade 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.

34. The essential pre-requisites for bringing a case under Section 5(3) are that:

- (a) the earlier mark has a reputation; and
- (b) the respective goods/services are dissimilar.

35. It is common ground that the goods for which the applicant now seeks registration are dissimilar to those covered by opponent's earlier UK registrations or those covered by the opponent's pending CTM applications. The latter are in any event only earlier trade marks subject to the applications achieving registration. (Section 6(2) of the Act.)

36. The extent of the opponent's reputation under its winged horse device is in dispute. 'Reputation' for this purpose means that "the earlier trade mark is known by a significant part of the public concerned for the products or services covered by that trade mark: "General Motors Corp v Yplon S.A. 2000 RPC 572 at 578.

37. Although I have found that the opponent's winged horse device is likely to have been known to enough of the opponent's customers to give it an actionable goodwill under the sign at the relevant date, I believe that the requirement for a 'reputation' under Section 5(3) is a higher threshold. Given the paucity of the opponent's evidence of such 'reputation' I do not believe I can find that it has crossed the threshold. If that is right the case under section 5(3) fails at the outset.

38. In case I am wrong about that I will consider the opponent's case assuming that the mark does enjoy the necessary 'reputation'.

39. In this connection, I note that in Premier Brands UK Ltd v Typhoon Europe Ltd 2000 FSR 767, Neuberger J. accepted that the stronger the distinctive character and reputation of a particular mark, the easier it would be to establish detriment to it. The same must be true of taking unfair advantage. The obverse must also apply: The less the established reputation of the earlier mark, the more difficult it will be for an opponent to establish detriment or unfair advantage to its mark. It is therefore relevant that, even if the opponent's mark has the necessary reputation, it is as a secondary mark and not established to have an extensive reputation in the UK, or, in relation to the CTM applications, within the European Union.

40. Mr Malynicz put his case like this in his skeleton argument:-

- "a. First, there would be a dilution or erosion of the distinctiveness of O's device. This follows from the mere presence of another trader in the marketplace using a virtually identical device;
- b. Secondly, there would be a tarnishment of the reputation of O's device. This occurs because the manner in which A intends to use its device (i.e. as a "cult" stimulant drink for night clubbers out on the town: see Exhibit SK1) is inconsistent with the manner of use by O and would cause damage to the reputation of the mark."

41. The first point is bound to fail no matter how strong the reputation of the earlier mark. It has been observed several times that Sections 5(3) and 10(3) are not intended to have the sweeping effect of preventing registration or use of any sign which is the same, or similar to, a registered trade mark with a reputation: See Premier Brands (above) and, more recently, Daimler Chrysler AG v Javid Alavi 26 January 2001, unreported, wherein Pumfrey J. reached a similar conclusion noting that Section 10(3) "is not aimed at every sign whose use may stimulate the relevant public to recall a trade mark which enjoys a reputation with them".

42. Mr Malynicz did not pursue point "a" in his skeleton in the terms in which it appears. Instead he developed a more elaborate argument intended to demonstrate that the later mark would positively exploit the reputation of the earlier mark. He noted that, according to the opponent's investigator's report (the evidence of Stephen Keith), the principal use made of the applicant's mark on the continent is in relation to an "energy drink". Mr Malynicz submitted that the applicant's mark was (whether intentionally or not) feeding off the repute of the earlier mark for goods and services in the energy field, ie oil exploration and fuels. In order to build this link more effectively, Mr Malynicz referred me to some relatively recent use by the opponent of the strapline "The energy to make a difference". As far as I can tell from the evidence this strapline first appeared in the opponent's 1996 Annual Report (it is not in the 1995 Report) in exhibit JMB6 to Mr Banfield's evidence. Consequently there is no evidence that the strapline had even been used prior to the date of the application.

43. The suggested connection is, in any event, fairly tenuous. And it is also relevant that:

- a) although similar, the marks at issue are not the same;
- b) the opponent has not established that its use of a winged horse device is in any way unique in the market place.

44. I do not regard the opponent's argument as made out. Mr Cummings naturally urged me to reject it. He complained that the opponent had 'ambushed' the applicant at the hearing with a new objection that the applicant's proposed use was parasitic.

45. It is indeed surprising that, if the opponent had a genuine concern that the applicant's proposed use was parasitic in the manner suggested by Mr Malynicz at the hearing, it would have failed to make this allegation clearly before the hearing, if not in its pleadings, then in the evidence, or at the very least in Counsel's skeleton argument. I am left with the impression that this is a submission of no real substance made up at short notice after it was realised that the argument that was in the skeleton was doomed to fail. I reject this aspect of the opponent's case.

46. The second leg of the opponent's case under section 5(3) is founded upon the allegation that the applicant's use of its mark in relation to its energy drink product will tarnish the reputation of the earlier mark. The argument runs that energy drinks are:-

- (a) used by young people as a stimulant to maximise their enjoyment of late night discos and similar events;
- (b) of marginal legality because of the potential detrimental effect upon the health of those who consume them (until recently such drinks were, it appears, unlawful in Germany).

47. Mr Malynicz submitted that the proprietor of the earlier mark would not welcome such an association with its mark and would, in effect, lose the right to control how its mark was used.

48. I find this argument a little far fetched. The evidence of Mr Keith includes some of the applicant's promotional material. It is in English. The energy drink is marketed like this:-

"Not only for disco kids Flying Horse is the object of a cult. It represents the natural energy provider for all people who need to improve the performance and stamina of their bodies and brains, be it at school or at work, behind the driving wheel or the bureau, while studying for an exam or going in for sports."

49. The likelihood of this sort of use of the applicant's mark tarnishing the more conservative reputation the opponent's winged horse device mark may enjoy in respect of a completely different area of commerce is non-existent. Nor am I any more impressed with the "unwelcome association with a product that is a threat to health" point. There is no evidence that energy drinks are regarded as a potential threat to health in the UK, let alone that they are actually dangerous, or even if they are, that any negative publicity would rebound on the opponent's earlier mark or its repute. The fields of activity are so far apart that, coupled with the differences between the marks, there is no real danger of any detriment to the earlier mark or its repute.

50. Once the above aspects of the opponent's case are rejected, its complaint of "loss of control of its mark" amounts to no more than:

- (a) the opponent is a very large company;
- (b) which wishes to use its winged horse device mark on its own promotional

- merchandise in future;
- (c) and finds the applicant's application to register a similar mark for merchandise inconvenient

This is not a valid basis for objection under Section 5(3) of the Act. I find that this ground of opposition also fails.

Sections 3(6) and 32(3)

51. Section 32(3) of the Act requires that an application for registration should contain a statement to the effect that:

"the trade mark is being used, by the applicant or with his consent, in relation to the goods or services, or that he has a *bona fide* intention that it should be so used."

52. Making such a statement in circumstances where, viewed objectively, the statement is untrue has resulted in applications being refused under Section 3(6) of the Act on the grounds that the application was made in bad faith: Demon Ale 2000 RPC 345.

53. If the statement is true for some goods or services, but untrue for others, the application is liable to be refused in respect of the goods and services for which the statement under Section 32(3) was untrue.

54. In its amended Statement of Grounds of Opposition, the opponent asks for the application to be refused on the basis described above:

- (a) in totality, or alternatively
- (b) in respect of all the goods in Classes 28, 29, 30 and 33, and in respect of:
- the goods specified in Class 14 save for "key-fobs";
 - the goods specified in Class 18 save for "leather or imitation leather goods, namely handbags and rucksacks, holdalls, sports bags ... purses, wallets, key wallets" and "travelling and hand luggage cases";
 - the goods specified in Class 25 save for "headgear";
 - the goods specified in Class 32 save for "carbonated waters".

55. The evidence to support this claim is to be found in Mr Keith's declaration. He says that:

"On or about 13 October 1998, I telephoned the number referred to above and requested to be put through to an English speaking staff member. I was transferred to a woman who identified herself as Uschi Vieten who explained she was an assistant to Mrs Schmalzer, the applicant for registrations Export Manager.

During the course of the conversation with Mrs Vieten, she confirmed that the applicant for registration manufactures the energy drink sold under the trade mark

applied for (which she referred to as Flying Horse) under licence in Austria, Sweden and Malta and that the energy drink is sold under the trade mark applied for in Germany, Austria, Belgium, Luxembourg and Switzerland.

Mrs Vieten also informed me that the applicant for registration intended to expand its operations to sell the energy drink sold under the trade mark applied for in Italy and the USA. However, she said that they have no intention to sell the energy drink in the United Kingdom or the Asia Pacific regions in the foreseeable future.

Mrs Vieten subsequently suggested that I contact Mrs Schmaler the Export Manager of the applicant for registration. On or about 20 October 1998 I telephoned Mrs Schmaler who informed me that the applicant for registration had been unable to sell the energy drink sold under the trade mark applied for until recently as its contents were prohibited for consumption in Germany and Austria. However, she said that this position had now changed and accordingly production and sales have begun.

Mrs Schmaler told me that the applicant for registration also produces in addition to the energy drink, a range of promotional articles carrying the trade mark applied for, but these were limited to pens, bags, T-shirts and key rings. She said that the applicant for registration had no intention to produce any other goods carrying the trade mark in the foreseeable future and that this was not something that had been considered by the marketing department of the applicant for registration.

Mrs Schmaler confirmed that the trade mark applied for had been used in relation to an energy drink in the United Kingdom some 4 years ago. However, there had been no further sales of the products made since that time as a result of financial problems experienced in that market. She explained that the company had not received payment for the products supplied to the UK customer.

Now shown to me and marked "Exhibit SK1" are photographs of a pen, key ring, pin badge, t-shirt, bag, baseball cap, drinks can and promotional materials showing the intended manner of use of the trade mark applied for by the applicant for registration in the UK, which were obtained in the course of our investigations."

56. The applicant filed no evidence in response to Mr Keith's evidence. Although it is hearsay it is not therefore disputed, and I accept that Mr Keith was told what he claims to have been told, by the persons concerned.

57. What does this tell me about the applicant's true intentions at the date of application in May 1996? Mrs Vieten told Mr Keith in October 1998 that the applicant had no plans to market its energy drink in the UK in the foreseeable future. It appears that the application to register the applicant's mark in other classes is intended to protect a trade in merchandise aimed at popularising the trade mark and, inter alia, promoting the sale of the applicant's energy drink. Consequently, if there were no plans to market the energy drink in the UK, it is a reasonable inference that there were no plans to market the merchandise either.

58. Mr Keith subsequently spoke to Mrs Schmaler, who being the Export Manager, appears to be a more authoritative figure in the applicant's organisation. Mrs Schmaler told Mr Keith that the mark had been used in the UK some four years earlier. That would have been in

1994, some two years before the date of the application. Mrs Schmaler told Mr Keith that there had been no further sales since then. She does not seem to have ruled out further sales in the future in the way her assistant did.

59. Given that the applicant has already used the mark in the UK in respect of an energy drink prior to the date of application, I do not believe that the hearsay statement of Mrs Vieten in October 1998 is sufficient to displace the presumption that when the application was made in May 1996 the applicant had a bona fide intention to re-introduce its energy drink into the UK market. Traders do not make trade mark applications for no purpose, and no other reason has been suggested other than the obvious one that they intended to use the mark in trade in the UK.

60. The width of the specification is another matter. Even after it has been cut down by the applicant prior to the hearing, the specification seems very wide for a trade in an energy drink and associated merchandise. The opponent's second line of attack is therefore that the application is covetous because it covers goods which go well beyond the applicant's intended trade under the mark.

61. The final paragraph of Mr Keith's evidence lists certain items which he appears to tentatively accept are items in respect of which the applicant intends to trade under the mark in the UK. This appears to be the basis for the much narrower specification proposed by the opponent as an alternative to its primary case under Section 3(6). However, I note that Mr Keith's list includes T-shirts whereas the list in the (amended) Notice of Opposition does not.

62. Where bad faith is asserted and a prima facie case is presented in evidence, it is incumbent on an applicant to respond to the case against him. Applicants who fail to do so should not be surprised if, in the absence of a response, the prima facie case is accepted. After all allegations of bad faith are concerned solely with the behaviour of the applicant (albeit viewed objectively). The applicant is therefore in a perfect position to shed light on such matters.

63 Mr Cummings argued that the opponent's approach to the Section 3(6) issue was arbitrary and selective. By way of example he questioned how the applicant could have acted in good faith in applying for "key jobs", yet have acted in bad faith in applying for the remaining goods in Class 14.

64. The answer to that seems to me to be that the applicant could have been honest in stating he had an intention to use in the mark in respect of "key jobs" but dishonest in making the statement in respect of other items in Class 14.

65. If the applicant had an intention to use the mark in respect of other goods he should have stated it clearly in evidence whilst denying or explaining the hearsay statements of Mrs Vieten and Mrs Schmaler, which point to a much narrower intended trade in the UK. In the absence of such evidence from the applicant, I accept the evidence of Mr Keith with the result that the opposition under Section 3(6) party succeeds.

66. The application will therefore be refused unless the specification is limited to:

Class 14: Key-fobs

Class 18: Leather or imitation leather goods, namely handbags and rucksacks, holdalls, sports bags, purses, wallets, key wallets and travelling and hand luggage cases
Class 25: Headgear and T-shirts
Class 32: Non-alcoholic drinks

67. I have substituted 'non-alcoholic drinks' for 'carbonated waters' in the opponent's pleading because I am not sure that term accurately describes the applicant's drinks. The applicant should file a TM21 amending its specification to that set out above within one month of the end of the period allowed for appeal.

68. The opposition under Sections 5(3) and 5(4) has failed, but has partly succeeded under Section 3(6). Both parties indicated at the hearing that they would wish to submit written submissions on costs once the outcome of the opposition was known. I will allow 21 days for this. A further decision on costs will then follow.

Dated this 26TH Day of April 2001

**Allan James
For the Registrar
The Comptroller General**

**OPONENT'S UK TRADE MARK REGISTRATIONS OF WINGED HORSE
DEVICE**

No	Date of Registration	Specification
661444	8 August 1947	Anti-freezing preparations, being goods for sale in the United Kingdom and for export except to Northern Rhodesia
706202	3 April 1952	Wax emulsions, oils and emulsions of oils, all for use in the waterproofing of textiles; anti-frothing fluids and pastes, being chemical products for use in industry; and silica gel preparations for use as moisture absorbents; all being goods for sale in the United Kingdom and for export except to Northern Rhodesia
828343	6 December 1961	Chemical products for industrial use, but not including degreasing preparations or detergents
1080629	5 July 1977	Chemical products for use in industry and science; chemical products included in Class 1 for use in agriculture, horticulture and forestry; manures, tempering substances and chemical preparations for soldering and for use in metal working; tanning substances and chemical substances included in Class 1 for the treatment of skins and of leather; adhesive substances for use in industry; artificial and synthetic resins; hydraulic fluids and brake fluids; chemical preparations for use as coolants; anti-freezing preparations; silica gel preparations for use as moisture absorbents
665182	19 December 1947	Rust preventing preparations and preservative oils for wood floors
641370	29 October 1945	Industrial oils and greases (other than edible oils and fats and essential oils); waxes, for use in manufactures; lubricants; fuels and illuminants; candles, tapers, nightlights and wicks and petroleum products for industrial purposes; all being goods for sale in the United Kingdom and for export except to Northern Rhodesia
1080630	5 July 1977	Industrial oils and greases (other than edible oils or fats, or essential oils); waxes for use in manufactures; lubricants; fuels and illuminants; candles; tapers; night lights, wicks included in Class 4; petroleum products

		included in Class 4 for industrial purposes; dust laying and dust absorbing compositions
706203	3 April 1952	Sparking plugs for explosion engines
706204	3 April 1952	Electric batteries, electric battery cables, electric ignition cables and electric fuses
706205	3 April 1952	Electric light bulbs, bulbs for electric torches, and oil filters (not for scientific purposes and not being parts of engines, of motors or of machines)
706206	3 April 1952	Windscreen wipers, driving chains, windscreens, direction indicators, spare wheel supports and horns, all for land vehicles; and pumps for pneumatic tyres, valves for vehicle tyres and valve caps therefor, tyres for vehicle wheels and inner tubes for tyres; all being goods for sale in the United Kingdom and for export except to Northern Rhodesia, but not including cycle tyres and inner tubes therefor
706207	3 April 1952	Non-metallic hose piping for use in the water cooling systems for radiators for internal combustion engines
1370642	20 January 1989	Servicing of vehicles; cleaning, greasing, lubrication, repair and maintenance of motor vehicles; all included in Class 37

OPPONENT'S COMMUNITY TRADE MARK APPLICATIONS FOR WINGED HORSE DEVICE

165548

1 April 1996

Class 1: All goods in Class 1, including chemical products for use in industry and science, all being petroleum products or derivatives; sizing agents, dessicants, plasticisers, defoamants, wax emulsions, diluents for epoxy resins and coatings (not in the nature of paints), fire extinguishing compositions, all being chemical products for use in industry; chemical products included in Class 1 for use in agriculture, horticulture and forestry; manures; tempering substances and chemical preparations for soldering and for use in metal working; tanning substances and chemical substances for the treatment of skins and of leather; adhesive substances for use in industry; unprocessed plastics in the form of pastes, liquids, dispersions, emulsions and granulates, including polyethylene and polyethylene glycol, synthetic resins, hydraulic fluids, automatic transmission fluids, brake fluids and additives for fuels, lubricants (including engine oils) and greases; chemical preparations for use as coolants and anti-freezing and icing preparations

Class 3: All goods in Class 3, including cleaning, polishing, scouring and abrasive compositions; car wash preparations; windshield wash compositions; cleaning fluid for textile fabrics; wax polish

Class 4: All goods in Class 4, including industrial oils and greases (other than edible oils and fats and essential oils) including circulating oil, engine oil, machinery oil, metal processing oil, lubricating oil, motor oil, penetrating oil, lubricants including synthetic lubricants; fuels (including motor spirit) and solvents being petroleum derivatives, all in Class 4; oils for heating and illuminating purposes; waxes for use in manufacture; petroleum products in this class for industrial purposes and dirt laying and absorbing compositions; candles, tapers, nightlights, wicks

Class 9: All goods in Class 9, including magnetic data carriers such as magnetic and machine-readable cards bearing encoded information; automated teller and card reading machines; authorisation cards, charges cards and personal identification cards, all incorporating active components and being data carriers; data processing equipment and computers and programs therefor; monitoring apparatuses and instruments; parts and

fittings for the aforesaid goods including electric and electronic installations and apparatuses for use in the supervision, checking and control of industrial operations and mini-computers for monitoring of preventative maintenance and lubrication work on production and moveable machinery; apparatus and instruments for measuring the viscosity of liquids

Class 16: All goods in Class 16, including printed publications; printed matter; newspapers, periodicals and magazines; vouchers; stationery, with the exception of tapes, labels and supplies for printing devices; posters; document files; cards; travellers' cheques; charge cards, debit cards, personal identification cards; credit cards; advertising signs, travel maps and guides; instructional and teaching material (other than apparatus)

Class 19: All goods in Class 19, including building materials and road making materials (all being non-metallic); asphalt, pitch and bitumen, macadams and materials for coating, maintaining and repairing roads

165688

1 April 1996

Class 1: All goods in Class 1, including chemical products for use in industry and science, all being petroleum products or derivatives; sizing agents, dessicants, plasticisers, defoamants, wax emulsions, diluents for epoxy resins and coatings (not in the nature of paints), fire extinguishing compositions, all being chemical products for use in industry; chemical products included in Class 1 for use in agriculture, horticulture and forestry; manures; tempering substances and chemical preparations for soldering and for use in metal working; tanning substances and chemical substances for the treatment of skins and of leather; adhesive substances for use in industry; unprocessed plastics in the form of pastes, liquids, dispersions, emulsions and granulates, including polyethylene and polyethylene glycol, synthetic resins, hydraulic fluids, automatic transmission fluids, brake fluids and additives for fuels, lubricants (including engine oils) and greases; chemical preparations for use as coolants and anti-freezing and icing preparations

Class 3: All goods in Class 3, including cleaning, polishing, scouring and abrasive compositions; car wash preparations; windshield wash compositions; cleaning fluid for textile fabrics; wax polish

Class 4: All goods in Class 4, including industrial oils

and greases (other than edible oils and fats and essential oils) including circulating oil, engine oil, machinery oil, metal processing oil, lubricating oil, motor oil, penetrating oil, lubricants including synthetic lubricants; fuels (including motor spirit) and solvents being petroleum derivatives, all in Class 4, oils for heating and illuminating purposes; waxes for use in manufacture; petroleum products in this class for industrial purposes and dirt laying and absorbing compositions; candles, tapers, nightlights, wicks

Class 9: All goods in Class 9, including magnetic data carriers such as magnetic and machine-readable cards bearing encoded information; automated teller and card reading machines; authorisation cards, charges card and personal identification cards, all incorporating active components and being data carriers; data processing equipment and computers and programs therefor; monitoring apparatuses and instruments; parts and fittings for the aforesaid goods including electric and electronic installations and apparatuses for use in the supervision, checking and control of industrial operations and mini-computers for monitoring of preventative maintenance and lubrication work on production and moveable machinery; apparatus and instruments for measuring the viscosity of liquids

Class 16: All goods in Class 16, including printed publications; printed matter; newspapers, periodicals and magazines; vouchers; stationery, with the exception of tapes, labels and supplies for printing devices; posters; document files; cards; travellers' cheques; charge cards, debit cards, personal identification cards; credit cards; advertising signs; travel maps and guides; instructional and teaching material (other than apparatus)

Class 19: All goods in Class 19, including building materials and road making materials (all being non-metallic); asphalt, pitch and bitumen, macadams and materials for coating, maintaining and repairing roads

165241

1 April 1996

Class 16: All goods in Class 16, including plastic materials for packaging such as plastics film, foil or sheet; newspapers and periodicals; printed matter; and instructional and teaching material (except apparatus)

Class 17: All goods in Class 17, including plastics in the form of sheets, blocks, rods and tubes being used in manufacture such as plastic in extruded form for use in

manufacture such as plastics film, foil or sheet

Class 39: All goods in Class 39, including services relating to the packaging of goods

165340 1 April 1996

Class 16: All goods in Class 16, including plastic materials for packaging such as plastics film, foil or sheet; newspapers and periodicals; printed matter; and instructional and teaching material (except apparatus)

Class 17: All goods in Class 17, including plastics in extruded form for use in manufacture such as plastics film, foil or sheet

Class 39: All goods in Class 39, including services relating to the packaging of goods

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Class 36: All services in Class 36, including credit card, debit card, charge card, personal identification card, purchase authorisation card, discount card and cash card service; financing of purchases; electronic funds-transfer and cash dispensing services; services relating to the issue of statement of account and analysis for all the aforesaid services; payment processing; sale on credit; financial clearing services

Class 37: All services in Class 37, including motor vehicle servicing, maintenance and repair; motor vehicle greasing and lubrication; motor vehicle cleaning and polishing; motor vehicle wash; anti-rust treatment for motor vehicles; painting of motor vehicles; tyre fitting and puncture repair ; vehicle service station services, including filling services

Class 41: All services in Class 41, including organising of sports and entertainment competitions

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Class 36: All services in Class 36, including credit card, debit card, charge card, personal identification card, purchase authorisation card, discount card and cash card service; financing of purchases; electronic funds-transfer and cash dispensing services; services relating to the issue of statement of account and analysis for all the aforesaid services; payment processing; sale on credit; financial clearing services

Class 37: All services in Class 37, including motor vehicle servicing, maintenance and repair; motor vehicle greasing and lubrication; motor vehicle cleaning and

polishing; motor vehicle wash; anti-rust treatment for motor vehicles; painting of motor vehicles; tyre fitting and puncture repair; vehicle service station services, including filling services

Class 41: All services in Class 41, including organising of sports and entertainment competitions.

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No 2100721
by Altmuhltaler Heilquellen GmbH to register a
trade mark in Classes 14, 18, 25, 28, 29, 30, 32 and 33**

**AND IN THE MATTER OF Opposition thereto
by Mobil Oil Corporation under No 47879**

SUPPLEMENTARY DECISION

My written decision in these proceedings dated 26th April 2001, contained an error. It has been brought to my attention that in paragraph 66, I included the item “T-shirts” in the limited list of goods I was willing to allow for Class 25. In fact that item was never listed in the original claim for the Class 25 application (listed at paragraph 2 of my decision). That in effect amounts to a widening of the specification as originally applied for and is not allowed under Section 39(2) of the Act.

The necessary power to correct this error is provided by the Registrar’s inherent jurisdiction to so do, and also as this was clearly an “irregularity in procedure”, by Rule 66 of the Trade Mark Rules 2000. As such I rectify my decision in these proceedings by amending paragraph 66 so that the Class 25 specification reads only “Headgear”. I take this opportunity also to correct a clerical error in paragraph 63 of my decision, where the reference to “key jobs” should clearly have read “key fobs”.

Dated this 8TH day of May 2001.

**Allan James
For the Registrar
The Comptroller General**