

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No 2119750  
BY QUAKER OATS LIMITED TO REGISTER A TRADE MARK  
IN CLASS 30**

**AND**

**IN THE MATTER OF OPPOSITION THERETO UNDER No 47129  
BY KELLOGG COMPANY AND KELLOGG MARKETING & SALES CO. (UK)  
LIMITED**

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Sales Co. (UK) Limited**

### **DECISION**

On 2 January 1997 Quaker Oats Limited applied to register the trade mark CHOCO PUFFS in Class 30 for "Cereals and cereal preparations; biscuits; snack bars; confectionery; muesli and muesli preparations."

The application is numbered 2119750.

On 1 July 1997 Kellogg Company of the United States of America and Kellogg Marketing & Sales Co. (UK) Limited filed notice of opposition to this application. They say that they have an extensive and well known business in the UK and other countries in producing and marketing cereals for human consumption, waffles, toaster pastries and snack bars. They say that the first opponents are the proprietors of UK trade mark registrations No. 1497302 - KELLOGG'S CHOCOS - and No. 1462077 COCO POPS - both of which are used on an extensive scale in the UK.

Objections are said to arise under Section 3 of the Act in that the applicants' mark is devoid of any distinctive character, consists exclusively of indications which may serve in trade to designate the kind, quality or other characteristics of the goods and is not capable of distinguishing the goods of the applicants from those of other undertakings.

The opponents also say that the application offends against the provisions of Section 5 of the Act in that it is similar to the opponents' earlier trade marks and is to be registered for goods identical with or similar to those for which the earlier marks are protected and there exists a likelihood of confusion on the part of the public which includes the likelihood of association with the opponents' marks. The opponents further say that use of the mark is liable to be prevented by the law of passing off. The grounds under Section 5 were later withdrawn and no further mention need be made of this.

The applicants filed a counterstatement denying the above grounds and refer to a number of their UK trade mark registrations containing the word PUFF.

Both sides ask for an award of costs in their favour.

Both sides filed evidence in these proceedings and the matter came to be heard on 22 May 2001. The applicants were represented by Mr D Alexander of Counsel instructed by Marks & Clerk. The opponents were represented by Mr G Tritton of Counsel instructed by Haseltine Lake.

## **OPPONENTS' EVIDENCE**

This consists of two statutory declarations. The first is dated 4 June 1998 by Ms Jane More O'Ferrall who says she is a trade mark agent with Haseltine Lake Trademarks and that the facts given are either from her own personal knowledge or obtained on her instructions by third parties from publicly accessible data bases. The second is dated 1 June 1998 and is by Mr Mark Jeremy Sims, Commercial Director of Kellogg Marketing & Sales Co. (UK) Limited.

Turning to Ms More O'Ferrall's declaration first, this provides as Exhibit JMOF1 a report of a search carried out of the UK Register of Trade Marks, either applied for or registered in Classes 29 and 30, containing the element CHOCO, and concludes that CHOCO is a commonly used combining form for food products containing chocolate or chocolate flavouring. Ms More O'Ferrall notes there are over 100 such marks, some showing CHOCO as being a "disclaimed" element - although the practice is not consistently applied by the Registrar - and where it is not requested concludes "This indicates that the Registrar regarded CHOCO as being clearly devoid of distinctive character in respect of "chocolate", but in respect of other food products a disclaimer was required to clarify, for the public record, that CHOCO was regarded as non-distinctive."

Exhibit JMOF 2 provides a search report generated by a full search of the UK Register of Trade Marks data base, as at 17 January 1997. The search was carried out in respect of HONEY PUFFS.

Exhibit JMOF 3 consists of a table drawn up by Ms More O'Ferrall being a summary of Exhibit JMOF 2 to show UK trade mark registrations which might cover cereal products in Class 30 and which contained the word PUFFS. This produced a list of ten marks, eight being in the name of the applicants which were analysed as follows -

- 768822; QUAKER HONEY PUFFS, with HONEY PUFFS disclaimed
- 1143530, SUGAR PUFFS HONEY MONSTER, was advertised before acceptance by reason of use and special circumstances
- 1547392, HONEY MONSTER PUFFS, was advertised before acceptance by reason of special circumstances
- 732459, SUGAR PUFFS pack, was advertised before acceptance
- 1064560, SUGAR PUFF, was advertised before acceptance by reason of special circumstances

- 749403 and 1308547, SUGAR PUFFS, apparently accepted without evidence of use being filed or any special circumstances being brought into account
- 1440581, HONEY PUFFS, (an application) was advertised before acceptance by reason of special circumstances.

The remaining marks listed in JMOF 3 are SNOW PUFFS and GOLDEN PUFFS PACK, in different ownerships.

Exhibit JMOF 4 provides a summary of results of a "common law search in respect of product brand names in use containing the word PUFF or PUFFS" carried out by Ms More O'Ferrall who says it shows "that PUFF or PUFFS is used as a brand name by proprietors other than Quaker, and furthermore that PUFFED is also used by proprietors, including Quaker". Ms More O'Ferrall goes on to say that the adjective "puffed" describes what has been done to the cereal product and that the noun PUFFS is the obvious descriptor to use in respect of a product which has been puffed.

Reference is also made to Webster's "Third New International Dictionary" which describes PUFF as "a hollow or airy substance as (1) a dish that puffs in cooking (corn puffs) (potato puffs) ...." - a copy is provided as Exhibit JMOF 5. Ms More O'Ferrall also says that reference is made on the same page to "puffed rice" and "puffed wheat" under the listing for "puffed". Ms More O'Ferrall concludes that all the above reinforces her original impression that CHOCO PUFFS is devoid of distinctive character "being a combination of two words which are entirely apt to describe chocolate-flavoured puffed cereals."

I now turn to Mr Sims' declaration. He says that he has been associated with his company since 1981, becoming Commercial Director in 1996 and is fully acquainted with the nature and extent of their business. Mr Sims goes on to say his company markets cereals throughout the United Kingdom on behalf of Kellogg Company, the first opponents and tend to initiate advertising to promote KELLOGG breakfast cereals independently from advertising initiatives undertaken in the USA.

Mr Sims says the opponents have sold chocolate-flavoured cereals in the UK for many years, the first being COCO KRISPIES in 1969 (trade mark registration No. 946148, which changed around 1981 to COCO POPS. This, in turn, changed to CHOCO KRISPIES in 1998. Exhibit MS1 provides a copy of the Trade Mark Journal advertisement for COCO KRISPIES, a certified copy from the Register in respect of COCO POPS and a pack front for COCO POPS and CHOCO KRISPIES. Turnover under these trade marks grew from £16.5 million in 1990 to £28.5 million in 1997, with an estimated market share amongst cereal products of 1.8%. Advertising expenditure grew from £3.2 million in 1990 to £5.7 million in 1997, mainly on television advertising. Exhibit MS 2 is a video tape containing COCO POPS advertisements.

Mr Sims refers to numerous other chocolate-flavoured cereal preparations introduced by them in the UK:

- KELLOGG'S CHOCOS. Approximate turnover in 1994 - £1.1 million (Exhibit MS3 being a certified copy of the registration, together with a photocopy of the pack front)

- CHOCO FLAKES. Launched in September 1996, changed to CHOCO CORN FLAKES in 1998. (Exhibit MS 4 provides photocopies of the pack fronts of each). Turnover rose from £1.85 million in 1996 to £9.33 million in 1997. The product having advertising rising from £0.1 million in 1996 to £3.6 million in 1997, mainly through television, (Exhibit MS 5 being a video tape containing examples of these advertisements). Poster sites and point of sale displays are also used.

Mr Sims points out that his company's use of CHOCO FLAKES pre-dates the applicants' use of CHOCO PUFFS. He says that on these grounds and especially that "CHOCO PUFFS is an entirely apt descriptor for puffed cereals with a chocolate flavouring", the applicants' mark should not be permitted to proceed to registration.

### **APPLICANTS' EVIDENCE**

This consists of a statutory declaration dated 3 June 1999 by Ms Sas Horscroft who says that since 1994 she has been Group Brand Manager of Quaker Oats Limited.

Ms Horscroft says that CHOCO PUFFS is one of her company's HONEY PUFF range of products which includes the famous SUGAR PUFFS product. She goes on to say that because of the reputation that HONEY PUFFS and SUGAR PUFFS enjoy the new product will be understood by customers to be part of that range and will be associated with the applicants exclusively.

She goes on to deal with use of her company's other marks referred to above.

"The Trade Mark HONEY PUFFS has been used by my Company continuously in the United Kingdom upon and in relation to cereal preparations since 1992. There is now produced and shown to me marked Exhibit SH1 specimen showing how the Trade Mark is actually used upon and in relation to the goods. It can be seen that the Trade Mark is clearly shown on the side panel of the packaging and is also referred to in the Trade Mark "notice". Up until now, the primary Trade Mark used by my Company in relation to this range of products is SUGAR PUFFS which has been used throughout the United Kingdom since the mid 1950s. As a result of the extensive use and advertising connected with the Trade Mark SUGAR PUFFS, these goods are now sold in enormous quantities and this has clearly brought to the attention of consumers the many other Trade Marks used by my Company in relation to these goods including the Trade Marks QUAKER, QUAKER logo, HONEY MONSTER and HONEY PUFFS. As examples of early use of SUGAR PUFFS, there is now produced and shown to me marked Exhibit SH2 copies of advertisements which appeared in 1956 and 1958.

The following are the annual values of the said goods sold by my Company in the United Kingdom under the Trade Marks SUGAR PUFFS/HONEY PUFFS for the period 1992 to 1998 (inclusive).

Year	£
1992	33.5 million
1993	35.9 million
1994	34.1 million
1995	33.8 million
1996	37.0 million
1997	37.0 million
1998	[not given]

During the period 1992 to 1998 (inclusive) my Company has expended sums of money in advertising in the United Kingdom the said goods upon or in relation to which the Trade Marks SUGAR PUFFS and HONEY PUFFS are used. Advertisements appeared in all major grocery multiples and national TV campaigns. There is now produced and shown to me marked Exhibit SH3 a video of some of the recent TV advertisements. My Company no longer uses press advertisements to publicise this range of products and advertising is now concentrated on television campaigns, on-pack promotions and in-store pricing support. The annual amount expended by my Company in such marketing activities is in the region of £7.5 - £8 million."

Ms Horscroft then refers to Mr Sims' declaration and exhibits. Much of this relates to the Section 5 issues which are no longer being pursued. However, she also refers to the use by the opponents of a "TM" symbol alongside CHOCO KRISPIES in Exhibit MS 1 while describing the product as "chocolate toasted rice" which she says is "clearly the generic description of the product" while the former is a trade mark. She also refers to Mr Sims' statement that CHOCO FLAKES can function as a trade mark and argues that CHOCO PUFFS can, also. Ms Horscroft further says "..... CHOCO PUFFS is a name which is not used by any of our competitors, it is not a generic description and, in the market for cereal products, it is a name which is capable of functioning as a trade mark. It will be presented as an extension of my Company's SUGAR PUFFS/HONE PUFFS range and is distinguishable from any CHOCO - mark used by his company."

Ms Horscroft also refers to the statutory declaration and exhibits provided by Ms More O'Ferrall. Ms Horscroft argues that each case should be considered on its own merits and that her company's mark can be distinguished from those listed in Exhibits JMOF 1 and JMOF 2. Ms Horscroft notes that there are many users of CHOCO as a prefix but says that the two marks in exhibit JMOF 4 which shows ownership of marks with a suffix PUFFS not in the applicants' ownership does not indicate whether those marks are in use. (1531386 - SNOW PUFFS/SNO PUFFS, 2012998 - GOLDEN PUFFS Label). Ms Horscroft goes on to say that Exhibit JMOF 4 shows that more than half of the disclosures concern her own company or related companies and says she is not aware that any of the other marks revealed are used in respect of breakfast cereals and notes that none use the name CHOCO PUFFS.

Ms Horscroft further says "My Company's trade mark SUGAR PUFFS is undoubtedly a famous trade mark. It has not been established but even if there was some other use of PUFFS in respect of cereals, that use would be very small in comparison to my Company's use. Even if the suffix PUFFS is not 100% exclusive to my Company, it is sufficiently

exclusive to enable the combination CHOCO PUFFS to distinguish my Company's goods from their competitors." Ms Horscroft also refers to the adoption by her company of the trade mark HONEY PUFFS, intended to identify a range of products. She says that CHOCO PUFFS is a particular product within that range and does not impinge upon the legitimate rights of any other company and would not be confused with any other product.

That concludes my summary of the evidence.

This is one of two oppositions to the same action involving different opponents. The cases have not been consolidated but were heard on the same day. The same Counsel were instructed in each case and a composite set of submissions were made. I do not understand Counsel to suggest that a different outcome is likely in respect of the separate cases. The principal submission on behalf of the applicants is based on a brand extension (from SUGAR PUFFS) argument and is common to both cases. The applicants' evidence in support of that argument is also in large measure the same in each case as one might expect. The opponents have each filed their own separate (and different) evidence in support of the claims made. My findings are largely common to both cases save that I have reached my conclusion on the basis of somewhat different evidence from the respective opponents.

As the Section 5 objections were not pursued Mr Tritton's submissions at the hearing concentrated on Section 3(1)(b) and (c). No distinction needs to be drawn between the sub paragraphs in the circumstances of this case.

Section 3(1)(b) and (c) read as follows

"3.-(1) The following shall not be registered -

- (a) .....
- (b) trade marks which are devoid of any distinctive character,
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
- (d) .....

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it."

I was referred to a number of authorities dealing with Section 3(1) or the equivalent CTM provisions. Mr Tritton relied on the Court of First Instance's (CFI) decision in *Procter & Gamble v Office for Harmonisation in the Internal Market*, 1999 ETMR 767, dealing with an application to register BABY DRY for diapers. The CFI held that "the term BABY DRY, read as a whole, immediately informs consumers of the intended purpose of the goods". He

also took me to the following passage from MAXIMA, a decision of the First Board of Appeal of OHIM in case 51/1998 as providing a helpful test as to whether a trade mark is descriptive or devoid of distinctive character -

*"The assessment as to whether a trade mark is descriptive or devoid of distinctive character is a complex exercise which involves a combination of objective and subjective elements. The examiner must have regard to the general impression created by the mark as a whole, taking into account the nature of the goods or services, the level of awareness of the likely consumers of those goods or services, and any other relevant factors. The examiner must in particular have regard to the consequences flowing from the registration of a Community trade mark. Essentially, a Community trade mark, by virtue of Article 9(1) CTMR entitles its proprietor to prevent all third parties from using in the course of trade an identical or confusingly similar sign in relation to identical or similar goods or services. It is precisely because of the exclusive nature of the rights conferred by a Community trade mark that the provisions of Article 7(1)(b) and (c) CTMR prohibits the registration of signs which lack distinctiveness or merely describe the goods or services in relation to which the sign is to be used. No undertaking may be given an exclusive right to use in the course of trade a sign which does no more than describe, in ordinary language, the nature, quality or intended purpose of the goods or services in respect of which it is to be used." (para 12)....*

*As a general rule, there are compelling reasons for not allowing an individual trader to monopolise the use of ordinary words, or obvious adaptations of ordinary words which imply that a product possesses exceptional characteristics as regards quality, power, performance, size, fitness for purpose and so forth. (para 17)"*

Mr Alexander, for his part, referred me to Mr Hobbs QC's remarks in Maasland's Application, 2000 RPC 893 referring inter alia to the ECJ's guidance in CANON

"5. A sign possesses enough of "*a distinctive character*" to be registrable as a trade mark if goods identified by it would for that reason be thought by "*the relevant class of persons or at least a significant proportion thereof*" to have come (directly or indirectly) from one and the same undertaking as envisaged by the judgment of the European Court of Justice in Case C-39/97 *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* [1999] E.T.M.R. 1; [1999] R.P.C. 117.

"27. Indeed, article 2 of the directive provides that a trade mark must be capable of distinguishing the goods or services of one undertaking from those of other undertakings, while the tenth recital in the preamble to the Directive states that the function of the protection conferred by the mark is primarily to guarantee the indication of origin.

28. Moreover, according to the settled case-law of the court, the essential function of the trade mark is to guarantee the identity of the origin of the marked product to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which



have another origin. For the trade mark to be able to fulfil its essential role in the system of undistorted competition which the Treaty seeks to establish, it must offer a guarantee that all the goods or services bearing it have originated under the control of a single undertaking which is responsible for their quality (see, in particular, Case C-10/89 HAG GF (HAGII) [1990] ECR I-3711, paragraphs 14 and 18)."

He also drew my attention to Advocate General Jacobs' Opinion in *Procter & Gamble v OHIM* (case C383/99P) particularly paragraph 75 et seq. Although the Advocate General's views are not binding on me he suggested that they nevertheless carry considerable weight. In that Opinion the Advocate General suggests that it may be better to think of Article 7(1)(c) of the Trade Mark Regulation [our Section 3(1)(c)] as intended not to prevent any monopolising of ordinary descriptive terms but rather to avoid the registration of descriptive brand names for which no protection could be available. He goes on (in paragraphs 79 and 80) to acknowledge the apparent conflict between this approach and certain passages in *Windsurfing Chiemsee*, 1999 ETMR 585, where the ECJ held that Article 3(1)(c) of the Trade Marks Directive [our Section 3(1)(c)] pursues an aim which is in the public interest namely that descriptive signs or indications relating to the categories of goods or services in respect of which registration is applied for may be freely used by all. The decision of the Court both on the general approach and in relation to the *BABY DRY* mark is still awaited.

I understand that the applicants here do not deny that there is some descriptive content to their mark but contend that the mark is registrable because "the overall meaning in context is not descriptive." That is a reference to Mr Alexander's main submission that *CHOCO PUFFS* would be taken to be a brand extension product of *SUGAR PUFFS*, their well established mark. However, before I get to that particular argument I should set out my views on *CHOCO PUFFS*. In doing so I approach the matter on the basis that it is an unused mark. I should also say by way of preliminary observation that, on the authority of *EUROLAMB Trade Mark*, 1997 RPC 279, both Counsel were of the view that the burden of proof was effectively neutral or, as it was put in *Procter & Gamble's Trade Mark*, 1999 RPC 673, "it is doubtful whether it helps to discuss the judgment which the registrar has to make in terms of burden of proof". The mark proposed for registration needs to be considered upon its own merits and in the light of the evidence and submissions put before me.

I have recorded above the evidence filed in relation to the elements of the mark applied for and intended to show that *CHOCO* and *PUFFS* are in common use by traders who presumably consider it legitimate to use the words freely. I will, therefore, record my views on the elements of the mark and then return to the combination bearing in mind that in the final analysis it is necessary to reach a decision in relation to the characteristics of the mark as a whole and not just the attributes of its component parts.

It is suggested that *CHOCO* is a commonly used combining form indicating that a product contains or is coated/flavoured with chocolate. In support of this there is the evidence of the opponents' own *CHOCO KRISPIES* and *CHOCO CORN FLAKES* packaging and the results of the UK register search. Not all the entries on the search report are directly relevant and I bear in mind also that the existence of marks on the register is not evidence that they are being used. Nonetheless it does indicate a widespread desire on the part of traders to adopt the

word/element CHOCO for reasons which are not, I think, unexpected. The evidence as a whole therefore confirms my own impression of the word.

Exhibits JMOF 3 and 4 deal with the word PUFF or PUFFS. I have recorded above the opponents' analysis of the applicants' own marks which contain the word PUFFS. In the majority of cases the word is either disclaimed or was accepted on the basis of use and/or special circumstances (under the preceding law). The earliest of these registrations, the SUGAR PUFFS pack, proceeded on the basis of being 'advertised before acceptance. Section 18(1) proviso', that is to say on the basis of use. That early registration presumably also underpins a number of the later marks and suggests the applicants were not unaware of the descriptive nature of the words used.

Rather more relevant so far as more recent trade usage is concerned is JMOF 4 which records the results of a search of various leading trade directories for use of PUFF/PUFFS. Again a number of the names thrown up are the applicants' own but there are a number of third parties using PUFF or PUFFS as elements in the marks. The significance of this is made more evident by the extract from WEBSTER's dictionary confirming that 'puff' is a term used to describe the effect of the cooking process on certain products. The applicants' declarant comes close to conceding that PUFF is not exclusive to her company relying instead on distinctiveness arising from the combination CHOCO PUFFS. In my view the evidence points to the fact that trade usage has led the public to regard the word PUFFS as descriptive of puffed wheat cereal products.

Simon Thorley QC, sitting as the Appointed Person in FROOT LOOPS Trade Mark, 1998 RPC 240, commented as follows on the need to consider the capacity of the mark as a whole to act as a badge of origin notwithstanding the results of any analysis of its component elements.

"In my judgment the concession made by Mr Waugh that the word "froot" is the phonetic equivalent of "fruit" and that the law renders the phonetic equivalent of an unregistrable mark itself unregistrable is decisive of this appeal. I believe Mr Waugh is correct in saying that regard must be had to the whole of the mark applied for and that dissecting it into individual words may cause one to lose sight of the effect of the mark as a whole. This however does not mean that the exercise of considering the effect of individual parts of a mark when assessing the effect of the whole is neither impermissible nor unhelpful. It can provide useful assistance along the road to reaching a conclusion as to the registrability of the whole but it must not be used as a substitute therefor. To this extent therefore I believe Mr Waugh's criticism of the hearing officer's approach in considering the words "Froot" and "Loops" separately and not thereafter as a whole is well founded."

Does bringing the words CHOCO PUFFS together alter the character of the mark or result in a combination that is novel or merely alludes to rather than describes the nature of the goods? In my view it does not. It is a perfectly normal adjective and noun combination which does no more than act as a convenient description of the goods. The totality is no more than the sum of its parts.

That brings me to the main point of the applicants' case which is that CHOCO PUFFS would be seen as a brand extension product. As Mr Alexander put it "it is submitted that CHOCO PUFFS comes to the market heavily freighted with an origin denoting meaning invested in the trade mark by the substantial pre-existing use and reputation of SUGAR PUFFS as a proprietary brand".

I have recorded above the substance of the applicants' evidence and the duration and extent of use of the marks SUGAR PUFFS and HONEY PUFFS. On the basis of Ms Horscroft's evidence and the supporting exhibits I am not prepared to accept the claim so far as it relates to HONEY PUFFS. The overwhelming impression is that it is the SUGAR PUFFS brand which is promoted and known. It is a very old established brand having been around since the 1950s. I do not understand Mr Tritton to dispute the applicants' claims in relation to SUGAR PUFFS. For the purposes of what follows I too accept that a considerable reputation attaches to SUGAR PUFFS.

The fact that the case for HONEY PUFFS having a reputation is not established on the evidence is not critical to Mr Alexander's case. His claim is based not on the applicants' having a family of marks but on customer expectation arising from familiarity with SUGAR PUFFS. Reference was made in his skeleton argument to a number of cases where commonality of elements within marks have been held to suggest a connection - RUS/SANRUS, 1937 RPC 341, WAGAMAMA/RAJAMAMA, 1995 FSR 713, PORTA/PORTOBLAST, 1990 RPC 471. These cases were infringement and passing off actions. Whilst I note the point about customer recognition of suffix/prefix elements that Mr Alexander wanted me to take from these cases I do not find them directly relevant to the Section 3 issue before me.

More relevant for present purposes is a further case which was drawn to my attention - BONUS GOLD Trade Mark, 1998 RPC 859 where, in the context of an objection under Section 3(1)(b) and (c), Mr Thorley QC, sitting as The Appointed Person, dealt with a claim that use of other marks containing the element GOLD had educated the public to expect that the mark at issue came from the same trade source. The relevant paragraphs of the decision read:

"However, Mr Hodgkinson went on to support his argument by reference to the previous registration of a number of marks by Halifax containing the word gold. He accepted that a number of these were registered with evidence of use, but said, quite properly, that taking the easy course and relying on use cannot be indicative that the marks were unregistrable as prima facie applications.

He submitted that the use that had been made of these other marks was indicative that there was no need to educate the public (that the mark BONUS GOLD was a trade mark) because they were already educated by reason of the use of the earlier marks. This is an argument which has to be considered with care.

In the TREAT case, *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 at 305 Jacob J considered the effect of previous registrations and concluded as follows:

“Both sides invited me to have regard to the state of the register. Some traders have registered marks consisting of or incorporating the word Treat. I do not think this assists the factual inquiry one way or the other, save perhaps to confirm that this is the sort of word in which traders would like a monopoly. In particular the state of the register does not tell you what is actually happening out in the market and in any event one has no idea what the circumstances were which led the Registrar to put the marks concerned on the register. It has long been held under the old Act that comparison with other marks on the register is in principle irrelevant when considering a particular mark tendered for registration, see eg MADAME Trade Mark, and the same must be true under the 1994 Act. I disregard the state of the register evidence”.

Mr Hodgkinson did not dissent from this as a statement of law, but did urge that things were different when he was relying upon the use of the former marks rather than their mere existence on the register. I can see the substance of this as a point of argument, but what in truth he is seeking to do is to substitute the use of the old marks for use of the new mark to try and show that the new mark is itself distinctive.

As I said, this is a submission which has to be approached with care. The nature and length of the use that was sufficient to obtain registration under the old Act may well not be the same as the nature and the extent of the use which is required to register under the new Act. Equally evidence of use in relation to a mark such as OVERSEAS GOLD may well be different to the evidence that would be needed to support the mark BONUS GOLD.

I have reached the conclusion that although this argument could carry weight, it can only carry weight if the hearing officer has before him the actual evidence of use that is relied upon so that both he and I on appeal can assess the weight that can be placed upon that evidence. Without that evidence I believe it is correct to come back to the prima facie case and ask: is the mark BONUS GOLD unused disqualified from registration? For the reasons I have given, I believe that it is.”

Mr Thorley thus emphasises that a submission of this kind needs to be approached with care but I accept that he does not rule out the possibility of use of other marks assisting consideration of the registrability of a later mark incorporating a common element. Further development and consideration of this line of argument was not possible in BONUS GOLD because Mr Thorley did not have evidence before him as to the nature and length of use of the other marks (I note too that the claim was in respect of ‘a number of marks’). By way of distinction I do have evidence before me of use of the SUGAR PUFFS mark.

I should also say at this point that one of the reasons that this brand extension argument needs to be approached with care is that the proviso to Section 3(1) which allows a trade mark to benefit, where necessary, from distinctiveness acquired through use, is framed in terms that point clearly to the use being of the mark at issue and not a sister mark or marks (the wording is ‘it has in fact acquired a distinctive character as a result of the use made of it’). For that

reason Mr Alexander, rightly I think, indicated that the applicants' case was not put under the terms of the proviso.

I have given careful consideration to both Counsels' submissions on the point and, in the light of Mr Thorley's comment, consider that I too should approach the matter with some caution. In essence Mr Alexander's submission amounts to this, that as a result of the reputation of SUGAR PUFFS the public would simply regard CHOCO PUFFS as a chocolate flavoured version of the brand with which they were already familiar.

The position seems to me to be that, through substantial use, the descriptive significance of SUGAR PUFFS has been displaced and the words have come to denote the goods of one particular trader, that is to say Quaker Oats (whether or not customers know the identity of that trader). Rights in that mark are in the totality and not in its component elements. But that is not to say that an element of a mark cannot serve as a badge of origin in its own right. Whether it does so will turn on the facts and circumstances of the particular case including factors such as the nature and extent of use, the nature of the mark/element itself, whether other similar marks exist in the stable, whether other traders use the word etc. The common element which the applicants rely on here is the word PUFFS. I have concluded that this word is used in an entirely descriptive capacity by both the applicants and other traders. I fail to see, therefore, why the public should assume that CHOCO PUFFS is a brand extension product of SUGAR PUFFS when 'puffs' is a term used by the trade. That is not to say that a different outcome would not be possible if for instance the mark applied for had been CHOCO SUGAR PUFFS or if the applicants had been able to bring forward evidence to demonstrate that, notwithstanding its descriptive roots, PUFFS marks were exclusively associated with them. But that is not the case. On the basis of the evidence before me I therefore find that the mark applied for is open to objection under Section 3(1)(b) and (c) and the applicants cannot prevail on the basis of their brand extension argument.

As the opponents have been successful they are entitled to a contribution towards their costs. As noted above this is one of two oppositions by different parties. The cases were not consolidated. Separate evidence was filed but the same Counsel was instructed and a composite set of submissions were made covering both oppositions. There were, therefore, some economies of scale in the later stages of the proceedings. I have taken this into account and adjusted the costs award accordingly between the two cases. I order the applicants to pay the opponents the sum of £900 in respect of this case. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 11 Day of June 2001**

**M Reynolds  
for the Registrar  
The Comptroller General**