

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NUMBER 2185076
BY GLOBAL VISION NETWORK
TO REGISTER A TRADE MARK IN CLASSES 09, 16, 28, 29 & 41**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER
NO 50133 BY PERCY DALTON (HOLDINGS) LTD**

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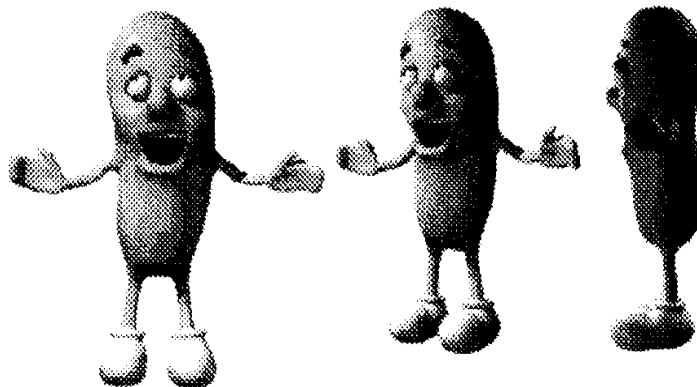
IN THE MATTER OF APPLICATION NUMBER 2185076 BY GLOBAL VISION NETWORK(GVN) Ltd TO REGISTER A TRADE MARK IN CLASSES 09, 16, 28, 29 AND 41

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO. 50133 BY PERCY DALTON (HOLDINGS) Ltd.

BACKGROUND

1. On 22 December 1998, Global Vision Network (GVN) Ltd applied to register the following as a series of three trade marks in Classes 09, 16, 28, 29 and 41:



2. Following examination the application numbered 2185076 was accepted and published for the following goods and services.

Class 09:

Recordings of television programmes; cinematographic and photographic films; films prepared for television; films prepared for the cinema; three dimensional computer animated television programmes; three dimensional computer animated films; cartoons for television; animated feature films; sound and video recordings; records, discs, cartridges, tapes, cassettes and other carriers, all bearing or for use in bearing sound recordings, video recordings, images and or data; computer games; video games; sunglasses, sunvisors and sunshades; calculators; instructional and teaching apparatus and instruments; computerised

learning tools; computer software; parts and fittings for the aforesaid goods.

Class 16:

Printed matter; printed publications; printed periodicals; books; booklets; magazines; comics; colouring books; address books; diaries; note books; drawing books; sticker books; adhesive stickers; sketch pads; posters; brochures; leaflets; catalogues; calendars; postcards; greeting cards; wrapping paper; plastic bags; paper bags; stationery; envelopes; writing paper; writing materials; pens, pencils and crayons; pencil cases; book markers; paint brushes; paint boxes; artists' materials; rulers; pencil sharpeners; drawing instruments; erasers; adhesive tapes; stencils; photographs; photograph albums; playing cards; paper napkins; paper plates, paper cups and paper table cloths; drinks coasters; animated cartoons; cartoon strips.

Class 28:

Toys, games and playthings; electronic LCD games; plastic toy figures and accessories; rubber toy figures and accessories; clothes for toys and dolls; face masks; soft toys; board games; in-line skates; roller skates; skate boards; toy cars, buses, planes, motorcycles, boats and other vehicles; early learning toys and products; gymnastic and sporting articles; footballs; tennis balls; balls for games; Christmas decorations; parts and fittings for the aforesaid goods.

Class 29:

Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats; baked beans; tinned beans.

Class 41:

Production of television programmes; production of radio programmes; radio and television entertainment services; entertainment services in the form of television programmes; production of videos; live performances and road show events; production of films; production of animated films and television programmes; provision of entertainment and education services via computer networks; presentation, distribution, syndication, networking and rental of television programmes, radio programmes, films and video recordings; distribution of video games to subscribers; publishing services; information services relating to the aforementioned services.

3. On 2 September 1999, Percy Dalton (Holdings) Ltd, filed a notice of opposition. The

grounds of opposition are, in summary:

(a) under section 5(2)(b) of the Act in that the trade marks for which registration is sought in respect of goods in Class 29 is similar to earlier trade marks in the ownership of the opponents. Details of the opponents earlier trade marks can be found in the attached annex. This ground of opposition is directed only to the goods falling within Class 29 of the application for registration.

(b) under section 3(6) of the Act, in that the opponents contend that the applicants have no bona fide intention to use the trade mark in respect of the whole range of goods and services. This ground of opposition is directed to the application for registration as a whole.

4. On 9 December 1999, the applicants filed a counterstatement in which all of the grounds of opposition are denied.

5. Both parties filed evidence in these proceedings and in accordance with the Trade Marks Registry's practice I reviewed the case and notified the parties that, in my view, it was not necessary for a hearing to be held in order that the matters the subject of the dispute could be decided. In the event, Marks & Clerk on behalf of the applicants for registration and Trade Mark Consultants Co on behalf of the opponents stated that they were content for a decision to be taken from the pleadings and evidence filed. In a letter dated 4th July 2001, Trade Mark Consultants Co on behalf of the opponents also filed written submissions.

6. Acting on behalf of the registrar and after a careful study of the papers, I give this decision.

OPPONENTS' EVIDENCE

7. This consists of a statutory declaration dated 17 May 2000, by Cecil Dalton. Mr Dalton explains that he is Company Secretary of Percy Dalton (Holdings) Ltd, a position he has held since 5 January 1965. He confirms that he is authorised to make the declaration on the opponents' behalf; the information in his declaration comes from his own personal knowledge, derived from a study of his files or from information made available to him from company records. The following are the relevant points which emerge from Mr Dalton's declaration:

- in the latter part of the 1940s, his late father Joseph Dalton ran a retail fruit and vegetable business. His late uncle, Percy Dalton, started a wholesale fruit and vegetable importation business in 1935 and on 15 November 1941 incorporated Percy Dalton (London) Ltd;
- he recalls that around 1949, Percy Dalton (Holdings) Ltd started selling fresh roasted peanuts in shells to Joseph Dalton, who began selling them in his shop. This was their sole peanut product. The peanuts were packed in 12lb bags and on top of the peanuts were placed a quantity of small paper sulphite bags (document 1 of exhibit CD1). The retailer then repacked the peanuts into the sulphite bags before they were sold in greengrocers or more commonly outside football grounds and speedway tracks;
- the sulphite bag bore a representation of a nut device character, known as "NUTTY"

and this distinctive character on sulphite bags has been identified as a Percy Dalton's trade mark for over fifty years;

- the design of "NUTTY" has recently changed and document 2 to exhibit CD1 shows the new nut device character in a red, white and blue on a sulphite bag;
- the NUTTY character also features on the company's web site (documents 3 to 7 of exhibit CD1).
- the quantity of bulk bags sold in the United Kingdom between 1996 and 1999 is as follows:

April 1996 to March 1997	20,125 kilos
April 1997 to March 1998	12,345 kilos
April 1998 to March 1999	11,950 kilos

APPLICANTS' EVIDENCE

8. This consists of a statutory declaration dated 20 December 2000 by Christian Wright. Mr Wright explains that he is Director of Programming of Global Vision Network (GVN) Ltd, a position he has held since September 1998. He adds that he is authorised to make his declaration on behalf of Global Vision Network; the facts stated come from his own personal knowledge of the company or from consulting records of the company. He further states that he has personally been involved from the outset in the creation of the company's trade marks, the subject of the present opposition proceedings.

9. The following are the relevant points which emerge from Mr Wright's statutory declaration:

- Global Vision Network specialise in the production of television and video programmes and in 1998, saw an opportunity for a children's current affairs/general interest television show, hosted by an animated character. The character developed being the subject of the company's trade marks (and the subject of the application);
- the children's television show in which the company's trade marks will feature is currently in the advance stages of development and it is intended that the company's trade marks will be referred to throughout the programme as "News Bean";
- anticipating the popularity of the programme, with particular interest being paid to the company's BEAN device acting as host, the company filed the present trade mark application. The classes covered in the application were chosen partly with a view to seizing potential merchandising opportunities and licensing use of the trade marks to reputable manufacturers of products covered by these classes, as well as to provide protection for the trade marks in respect of television programmes and in other areas of the entertainment industry;

10. That concludes my review of the evidence in so far as I consider it necessary.

DECISION

11. The first ground on which this opposition is based is that under section 3(6) of the Act which states:

“3.-(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.

12. In determining whether the applicants have acted in bad faith, I am assisted by the comments of Lindsay J in *Gromax Plastics v Don & Low Nonwovens Ltd* [1999] RPC 367 and more recently the comments of Mr Simon Thorley QC acting in his role as the Appointed Person in *Royal Enfield Motor Units* (BL 0363-01).

Lindsay J said:

“I shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. Parliament has wisely not attempted to explain in detail what is or is not bad faith in this context; how far a dealing must so fall-short in order to amount to bad faith is a matter best left to be adjudged not by some paraphrase by the courts (which leads to the danger of the courts then construing not the Act but the paraphrase) but by reference to the words of the Act and upon a regard to all material surrounding circumstances.”

Mr Thorley said:

“ It is an allegation of a form of commercial fraud. A plea of fraud should not be lightly made and if made should be distinctly alleged and distinctly proved. It is not permissible to leave fraud to be inferred from the facts. In my judgement precisely the same considerations apply to an allegation of bad faith made under section 3(6).

13. As can be seen from the comments of Mr Thorley, an allegation that a party has acted in bad faith is a very serious one. It should not be made lightly and if made must be distinctly proved. In opposition proceedings before the registrar, the onus is on the opponents to prove that the applicants have acted in bad faith. In their written submissions, the opponents rely on *Betty's Kitchen Coronation Street Trade Mark* (1999) RPC 825 which was a decision of the Registrar's Hearing Officer, in relation to potential licensing agreements. The opponents argue that a party should be able to show that discussions or plans for such activities were taking place. At paragraph 20 of that decision the Registrar's Hearing Officer said:

“In the face of the opponents challenge, it would have been a simple matter for the applicants to point to preparations made, discussions with other potential licensees, a programme of product introductions or other indicators of their intentions”.

14. Each case of course will turn on its own facts and in this case the opponents have filed no evidence and therefore there are no facts to support their allegation of bad faith. That being the case and keeping in mind the comments of Lindsay J and Simon Thorley QC, the fact that the applicants cannot show that licensing arrangements are being put in place at the present time, does not, in my opinion, mean that their conduct falls short of the standards of acceptable commercial behaviour. It is not unreasonable bearing in mind the background to the application for registration, for the applicants in this case to ascertain the success of the television show before entering into negotiations for licensing arrangements. Their explanation in that regard is sufficient. The ground of opposition based upon Section 3(6) is accordingly dismissed

15. I go on to consider the ground of opposition based upon Section 5(2)(b) which is directed only to the Class 29 element of the application. Section 5(2)(b) states:

“5.-(2) A trade mark will not be registered if because-

(b) it is similar to an earlier trade mark and it 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”.

16. An earlier trade mark is defined in Section 6(1) 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;

(b) a Community trade mark which has a valid claim to seniority from an earlier registered trade mark or international trade mark (UK);”

17. The opponents rely on two earlier trade marks as a basis for this opposition, a United Kingdom registration which was filed on 30 January 1996 and a Community trademark filed on 21 April 1998. Both are now registered trade marks and qualify as earlier trade marks within the meaning of the Act.

18. In determining the question under section 5(2), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723.

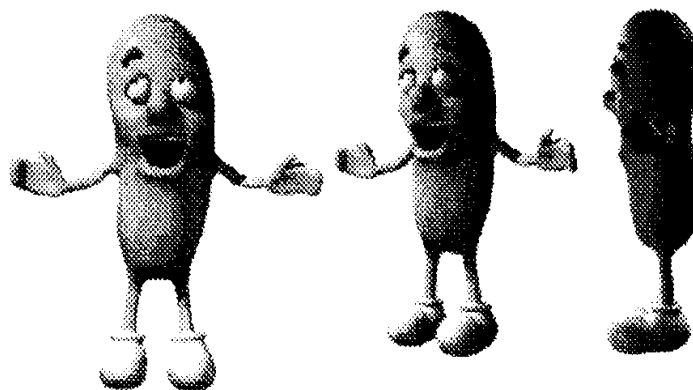
It is clear from these cases that:-

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v. Puma AG* page 224;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG* page 224, 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* page 84, paragraph 27.
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG* page 224;
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG* page 224;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* page 7, paragraph 17;
- (f) 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; *Sabel BV v. Puma AG* page 8, paragraph 24;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG* page 224;
- (h) further, 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; *Marca Mode CV v. Adidas AG* page 732, paragraph 41;
- (i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* page 9 paragraph 29.

19. The trade marks referred to by the opponents are identical. However, their best case resides in the Community trade mark as it has the wider specification of goods in Class 29.

20. The respective trademarks of the applicants and opponents are shown below; together with the specification of goods in Class 29:

Applicants' trade marks



Class 29:

Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats; baked beans; tinned beans.

Opponents trade mark:



Class 29:

Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats; nuts, kernels, legumes, drupes, pods and peanuts, all being prepared or processed; salted foods; peanut butter; chocolate nut butter, crystallised, frosted, frozen and preserved fruit; corn snacks; potato snacks.

21. It is clear that identical goods are in issue and therefore the issue of likelihood of confusion, including the likelihood of association, rests only on a comparison of the trade

marks.

22. When comparing the marks it is well established that in order to assess the degree of similarity between them, I must determine the degree of visual, aural and conceptual similarity. I must also keep in mind the distinctive character of the earlier trade mark. In this particular case, it would appear to me that visual similarity is likely to be the most important factor in deciding whether the trade marks are, or are not, confusingly similar; aural and conceptual similarity are likely to have little or no part to play. I reach this view because the goods in conflict are likely to be of an inexpensive nature which, in the main, will be purchased by self selection in, for example, a supermarket. It is well established that while the average consumer is considered to be reasonably well informed, reasonably circumspect and observant their levels of attention will vary depending on the nature and cost of the goods being purchased.

23. On a direct comparison between the trade marks, I observe firstly that the opponents trade mark is clearly an animated peanut character whereas the applicants trade marks could in essence be a variety of things. The applicants refer to it as a bean animated character. That could be the case but it could equally be seen as simply a humanised blob. I do not see the applicants trade marks as obviously representing a nut. The opponents character is wearing a hat and has a clearly defined face and facial features, with the eyes, nose and mouth all being in proportion. The applicants characters on the other hand do not have a defined head, it is part of the main body of the character. The opponents trade mark has clearly defined hands with fingers and feet. On the applicants marks, there are no defined fingers on the hands, only thumbs and on the feet there are shoes. There are also differences in the manner in which the characters are standing. Finally I note that the opponents' trade mark includes the words "Percy Dalton". The mark could therefore be seen as a humanised peanut or a "Percy Dalton" mark. On a direct comparison, I do not consider that these marks are confusingly similar.

24. Considering briefly the aural and conceptual aspects. With regard to the former, I have no idea how either trade mark would be pronounced or described, there is nothing within the applicants trade marks for the speaker to latch onto, whereas the opponents trade mark includes the full name Percy Dalton thus there would be no confusion arising from that pronunciation. Conceptually, bearing in mind that the applicants' device is not distinguishable, in my view, as anything in particular (I have used the term humanised blob), whereas the opponents device is clearly a peanut. I do not consider that there is any conceptual similarity.

25. I must however remember that consumers rarely have the opportunity to compare the marks side-by-side and consequently they must instead rely on the imperfect recollection of them they are able to retain. I must also consider in this context the relatively low cost of the goods and consequently that potential consumers are likely to be less circumspect when purchasing goods under the respective marks. In addition the goods are most likely to be purchased by self selection in distracting environments such as a supermarket. Taking all these factors into account, I do not think it is likely that confusion will occur. In reaching this view I have not ignored any distinctive character of the opponents trade marks which may have been acquired as a result of the long use of these trade marks. But the differences between the respective trade marks are too great for that aspect of the deliberation to be given much weight. The ground of opposition under section 5(2)(b) is dismissed.

26. As the opponents have failed the applicants for registration are entitled to a contribution towards their costs. I therefore order the opponents to pay the applicants the sum of £450. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of the case with any appeal against the decision is unsuccessful.

Dated this 20th December 2001.

M KNIGHT
For the Registrar
The Comptroller-General

Annex 1.

The opponents UK registration Number 2054657 is shown below and is registered in respect of the following goods:



Class 29:

Nuts, kernels, legumes, drupes, pods and peanuts, all being prepared or processed; salted foods; peanut butter; chocolate nut butter; crystallised, frosted, frozen and preserved fruit; corn snacks; potato snacks; edible oils and fats.

The opponents Community Trade Mark registration No 804799 is shown below and is registered in respect of the following goods:



Class 29:

Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats; nuts, kernels, legumes, drupes, pods and peanuts, all being prepared or processed; salted foods; peanut butter; chocolate nut butter, crystallised, frosted, frozen and preserved fruit; corn snacks; potato snacks.

Class 30:

Coffee, artificial coffee; tea, cocoa, sugar, rice, tapioca, semolina, sago; flour and preparations made from cereals; corn flour, wheat flour, corn meal, oat meal, maize meal; noodles; bread, biscuits, pastry and confectionery; ices; honey; treacle; yeast, baking-powder; salt; mustard; vinegar; sauces; spices; carbohydrates; condiments; flavourings for beverages; flavourings in the form of concentrated and dehydrated sauces; flavourings made from fruits; food supplements; glucose for food; gluten for food; ice beverages; ice confectionery; ice cream products; ice for refreshment; infusions; preparations for making beverages; starch for food; syrups; thickeners; thick shakes; snack foods; popcorn; peanut confectionery; spreads made from chocolate and from nuts or kernels, legumes, drupes, pods and peanuts.

Class 31:

Fresh fruits and vegetables, seeds, nuts, malt, kernels, legumes, drupes, pods, peanuts.