

O-363-10

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2488830
BY MARS CHOCOLATE UK LIMITED
TO REGISTER THE TRADE MARK
CHOCOLATE CHEMISTRY
IN CLASSES 29 & 30**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER No. 98108
BY NICHOLAS DYNES GRACEY**

BACKGROUND

1) On 29 May 2008 Mars UK Ltd filed an application to register the trade mark CHOCOLATE CHEMISTRY, subsequently assigned to Mars Chocolate UK Ltd in October 2008, in respect of the following goods:

In Class 29: Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; eggs; jellies, jams, compotes; products prepared for consumption and consisting primarily of the aforesaid goods.

In Class 30: Coffee and coffee substitutes; tea, cocoa, drinking chocolate; sugar, rice, tapioca, sago; flour and preparations made from cereals; bread, biscuits, cakes, pastry, chocolate and confectionery; ice cream; ice, ices; honey, treacle; salt, mustard; vinegar, sauces; condiments; spices; products prepared for consumption and consisting primarily of the aforesaid goods.

2) Following examination, the trade mark was accepted and published for opposition purposes on 18 July 2008 in Trade Marks Journal No.6744

3) On 20 October 2008 a notice of opposition, subsequently amended, was filed by Nicholas Dynes Gracey (hereinafter the opponent). The opponent is the registered proprietor of the following trade mark:

Trade Mark	Number	Application date & date of registration	Class	Specification
CHEMISTRY	2398605	04.08.05/ 10.03.06	9	Protective clothing, footwear and headgear; eyewear; optical apparatus.
			10	Orthopaedic shoes and soles; condoms; dental apparatus.
			18	Bags; parasols; walking sticks.
			25	Clothing; footwear; headgear.
			28	Games; sports goods; toys.
			29	Milk; milk products; milk shake preparations.

4) The opposition is restricted to “Drinking chocolate” and “Chocolate”. The opponent states that the marks and goods of the two parties are similar and so the application in suit offends against Section 5(2)(b). It also states:

““CHOCOLATE CHEMISTRY’ ...milk CHOCOLATE/dark or plain CHOCOLATE?”

(1) The applicant’s peculiar adoption of the ‘*milk associated*’, food-descriptive, prefix word, ‘CHOCOLATE’ is so strongly associated, in the UK marketplace, with the ‘*milk-product associated question*’: “...milk CHOCOLATE or dark or plain CHOCOLATE?..”as to tend to render all the food products applied for “CHOCOLATE” associated products [or food products potentially expected to be containing “CHOCOLATE”], confusingly similar to ‘*milk associated products*’ as per the registered “CHEMISTRY” trade mark; and

(2) Also the application specifies ‘*milk associated*’ CHOCOLATE and ‘*milk associated*’ CHOCOLATE products; and

(3) Furthermore, as advertised, the application excludes any ‘exclusion term’ for example “...but excluding any goods containing milk or CHOCOLATE...”.”

5) On 5 January 2009 the applicant filed a counterstatement which consists of a denial of the grounds on which the opposition is based

6) Neither party filed evidence in these proceedings. The matter came to be heard on 28 September 2010. At the hearing, the opponent represented himself; the applicant was not represented, nor did they file written submissions in lieu of attendance.

DECISION

7) The sole ground of opposition is under Section 5(2)(b) of the Trade Marks Act 1994 which reads as follows:

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

(a)....

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

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

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

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

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

9) In these proceedings the opponent is relying upon an earlier mark which has a registration date of 10 March 2006 and is not subject to The Trade Marks (Proof of Use, etc) Regulations 2004.

10) In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia*

Sales Germany & Austria GmbH C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P (LIMONCELLO). 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*,

(b) the matter must be judged through the eyes of the average consumer of the goods/ services in question; *Sabel BV v Puma AG*, 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.*,

(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*,

(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*,

(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.*,

(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*,

(g) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,

(h) 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*,

(i) 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 and Adidas Benelux BV*,

(j) 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.*,

(k) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

(l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*

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

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

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

13) The opponent has not shown any use of his mark and so cannot enjoy enhanced protection because of reputation. However, I do accept that the opponent's mark is inherently very distinctive for the Class 29 goods for which it is registered.

14) I must now determine the average consumer for the goods of the parties, which are, broadly food and drink. It is my view that the goods offered by the two parties are aimed at the general public. In my view, food and drink items are not purchased without some consideration, especially given the level of media attention on food issues such as additives, levels of salt and fat etc. Although I must take into account the concept of imperfect recollection.

15) I shall first consider the goods of the two parties which are shown below for ease of reference, the applicant's goods being restricted to those actually opposed as per the opponent's statement of grounds:

Applicant's Goods	Opponent's Goods
Drinking chocolate, Chocolate.	Milk; milk products; milk shake preparations.

16) It is well known that chocolate is made from roasted ground cocoa seeds. However, chocolate products are usually labelled as being "milk" or "plain/dark". Similarly, drinking chocolate, in powder form, is usually mixed with milk to form the actual drink. If the drinking chocolate is in liquid form then it has usually already been mixed in with milk. There is an obvious link between milk products and chocolate and drinking chocolate such that they must be regarded as being very similar. To my mind the link between milk and drinking chocolate and chocolate is more remote and so milk can only be regarded as being vaguely similar to the applicant's chocolate and drinking chocolate.

17) I now turn to consider the marks of the two parties. For ease of reference these are reproduced below:

Applicant's Trade Mark	Opponent's Trade Marks
CHOCOLATE CHEMISTRY	CHEMISTRY

18) Clearly, the applicant's mark contains more than one word or element and is, therefore, a composite mark. The *Medion* case acknowledges that the overall impression conveyed to the relevant public by a composite mark may, in certain circumstances, be dominated by one or more of its components. Clearly, in relation to "drinking chocolate" and "chocolate" the word CHOCOLATE is not distinctive and the dominant and distinctive element must be the word CHEMISTRY. However, I must compare the marks as wholes.

19) There are clearly visual differences between the marks, in that the applicant's mark consists of two words whereas the opponent's is just a single word. Equally clearly the whole of the opponent's mark is contained within the applicant's mark, i.e. the word CHEMISTRY.

20) There is an obvious aural difference as well as an element of identity. However, normal aural use would include use in a shop where it is reasonable to envisage the customer requesting a "bar of Chemistry chocolate" or a "Chemistry chocolate milkshake".

21) Conceptually, the marks are most memorably “Chemistry” marks. Chemistry has no obvious connection to chocolate, drinking chocolate or indeed milk products including milkshakes and is highly distinctive. Although I accept that any such product will, most probably, have been invented in a laboratory, this is not, in my view, the image that is likely to spring into the mind of the average consumer. It is therefore the element most likely to be recalled by the average consumer.

22) Considering the marks as wholes and acknowledging the minor differences I consider the marks to be quite similar.

23) I take all of the above into account when considering the marks globally. I also take into account the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa. The similarities in the marks are such that even if used on goods which are only slightly similar, but not milk, I believe that there is a likelihood of consumers being confused into believing that the goods provided by the applicant are those of the opponent or provided by some undertaking linked to them. The opposition under Section 5(2) (b) therefore succeeds in relation to the part of the specification which was opposed namely “drinking chocolate; chocolate”. The balance of the specification in class 30 and the whole of the class 29 specification was not opposed and so can continue and be registered.

COSTS

24) The applicant is entitled to a contribution to his costs. He has represented himself during the course of this action. In *Adrenalin Trade Mark*, BL O/040/02, Simon Thorley Q.C. sitting as the Appointed Person on appeal, observed that:

“6. Under section 68 of the Trade Marks Act 1994, the Registrar is given a wide discretion to award costs. The principles upon which the Registrar will exercise that discretion are set out in a Tribunal Practice Note (TPN 2/2000 – see *Kerly’s Law of Trade Marks* 13th edition page 1009). In general the Registrar proceeds by reference to a scale of costs and it is a long established practice that costs in proceedings before the Registrar are not intended to compensate parties for the expense to which they may have been put. Mr. Knight expressed the policy behind the scale of costs in his decision in this case as follows:

‘That scale of costs is meant to be a reasonable scale based upon the policy that no-one should be deterred from seeking to register their intellectual property rights or indeed defend their intellectual property rights so that, for example, if a litigant in person loses an action before the trade mark registry, he or she would know fairly clearly in advance the sum of money they may have to pay to the other side.’

7. Plainly however a pre-requisite of making an award of costs on the scale of costs is that the award should not exceed the costs incurred.

8. It is correct to point out that the Registrar’s practice on costs does not specifically relate to litigants in person but in my judgment it could not be that a litigant in person before the

Trade Mark Registry could be placed in any more favourable position than a litigant in person before the High Court as governed by the CPR. The correct approach to making an award of costs in the case of a litigant in person is considered in CPR Part 48.6.

...

10. As indicated above, the Registrar is given a wide discretion as to costs. The practice note is, and is intended to be, merely guidance as to how the Registrar will, in general, exercise that discretion. It does not and cannot impose a fetter upon the overriding discretion.

11. Part 44.3 of the CPR sets out the circumstances which should be taken into account when a court exercises its discretion as to costs and in my judgment exactly the same principles apply to the Registrar.”

25) I also rely upon the comments of Richard Arnold QC, acting as the Appointed Person in South Beck B/L O/160/08 where he commented:

“34. The Registrar is not bound by the CPR. On the other hand, the Registrar is entitled to, and does, have regard to the CPR in exercising his powers in circumstances where the Trade Marks Act 1994 and Trade Marks Rules 2000 do not make specific provision. Section 68 of the 1994 Act and rule 60 of the 2000 Rules give the registrar discretion to “award to any party such costs as she may consider reasonable”, but do not place any constraints upon the exercise of that discretion. I agree with Mr Thorley that (i) an award of costs should not exceed the costs incurred and (ii) a litigant in person should not be in any more favourable position in proceedings in the Registry than he would be in High Court proceedings under CRP r. 48.6. So far as the first point is concerned, I note that paragraph 8 of TPN 4/2007 now states:

“Depending on the circumstances the Comptroller may also award costs below the minimum indicated by the standard scale. For example, the Comptroller will not normally award costs which appear to him to exceed the reasonable costs incurred by a party.”

35. Turning to the second submission, I agree with counsel for the opponent that the hearing officer appears to have misapplied CPR r. 48.6 and to have awarded the applicant two-thirds of the scale costs he would have awarded a professionally represented litigant without reference to the applicant’s actual loss or any figure calculated in accordance with r. 48.6(4)(b).

36. In my judgment the approach which should be adopted when the Registrar is asked to make an award of costs in favour of a litigant in person is as follows. The hearing officer should direct the litigant in person pursuant to r. 57 of the 2000 Rules to file a brief schedule or statement setting out (i) any disbursements which the litigant claimed he has incurred, (ii) any other financial losses claimed by the litigant and (iii) a statement of the time spent by the litigant in dealing with the proceedings. The hearing officer should then make an assessment of the costs to be awarded applying by analogy the principles applicable under r. 48.6, but with a fairly broad brush. The objective should be to ensure

that litigants in person are neither disadvantaged nor overcompensated by comparison with professionally represented litigants.

37. In the present case I directed the applicant to provide such a schedule. The applicant duly filed a schedule claiming in respect of the proceedings at first instance disbursements of £20 together with mileage of 310 miles. No specific mileage rate was claimed so I propose to apply a rate of 25p per mile, giving a figure of £77.50, making total disbursements of £97.50. The applicant also estimated that it had spent a total of 83 hours dealing with the first instance proceedings. While this seems quite a lot by professional standards, it is appropriate to allow a litigant in person more time for a particular task than a professional advisor would be allowed: *Mealing McLeod v Common Professional Examination Board* [2000] 2 Costs L.R. 223. At the rate of £9.25 an hour, 83 hours comes to £767.75. Accordingly, I shall set aside the hearing officer's costs order and substitute an order that the opponent pay the applicant the sum of £865.25 in respect of the first instance proceedings.

38. So far as the appeal is concerned, the applicant again claimed disbursements of £20 and mileage of 310 miles. It also estimated that it had spent 21 hours dealing with the appeal. Accordingly I shall order the opponent to pay the applicant the sum of £291.75 in respect of the appeal, making a total of £1157."

26) In accordance with these principles I direct the opponent to provide a brief schedule of costs setting out any disbursements incurred, any other financial losses claimed and a statement of the time spent in dealing with the proceedings. This should be submitted to the Registry, and copied to the applicant, within one month of the date of issue of this decision.

Dated this 20 day of October 2010

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