

**O-224-11**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF REGISTRATION NO 2122299  
IN THE NAME OF POTTERS LIMITED  
IN RESPECT OF THE TRADE MARK:**

**RED KOOGA**

**AND**

**AN APPLICATION FOR REVOCATION (NO 83792) BY RED BULL GMBH  
ON THE GROUNDS OF NON-USE**

## **TRADE MARKS ACT 1994**

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and**

**An application for revocation (no 83792) by Red Bull GmbH**

### **THE BACKGROUND AND THE PLEADINGS**

1) Registration 2122299 is for the trade mark RED KOOGA. The trade mark currently stands in the name of Potters Limited (“Potters”), although it has, over the years, passed through various hands. It was applied for on 1 February 1997 by Peter Black Healthcare Limited, it was assigned on 21 December 2004 to Omega Pharma UK Limited who then assigned it to Potters on 20 September 2007. The mark is registered in respect of various goods in class 32, namely:

Mineral and aerated waters and other non alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.

2) On 15 June 2010 Red Bull GmbH (“RB”) applied for the above registration to be revoked under the provisions of sections 46(1)(a) & (b) of the Trade Marks Act 1994 (“the Act”). It is claimed that:

“Investigations have revealed that the mark subject of the registration has not been put to use in relation any of the goods specified by the registration in Class 32 within the last five years, or since the date of registration.”

3) Potters filed a counterstatement denying the allegation. It states:

“Potters Limited has used the mark RED KOOGA in respect of all the specified goods in class 32 before the application for revocation was lodged on 14 June 2010. Furthermore, Potters Limited will be able to rely on the provisions of s.46(3) TMA 1994 to defeat the application for revocation in its entirety.”

4) Both sides filed evidence. The matter then came to be heard before me on 12 May 2011. At the hearing Mr Benet Brandreth, of Counsel, instructed by Keltie, represented RB. Potters were represented by Mr Piers Strickland of Waterfront Solicitors LLP.

### **THE RELEVANT FIVE YEAR PERIODS**

5) RB’s claims are based on sections 46(1)(a) & 46(1)(b) of the Act. It seeks revocation with effect from either 2 August 2002 (section 46(1)(a)) or from 14 June 2010 (section 46(1)(b)). The relevant periods are:

**Section 46(1)(a)** – The registration procedure for Potters’ mark was completed on 1 August 1997. The relevant period begins on 2 August 1997 and ends on 1 August 2002.

**Section 46(1)(b)** – The period claimed begins on 14 June 2005 and ends on 13 June 2010.

## **THE EVIDENCE**

6) Before summarising the evidence, I should record that by the time of the hearing RB had accepted that Potters' evidence was sufficient to prove genuine use (at least in the second relevant period<sup>1</sup>) for certain goods but that such use was not in respect of the goods in class 32 for which the mark is registered. It is against this context that I summarise the evidence.

### ***Potters' evidence – 1<sup>st</sup> witness statement of Jane Wragg***

7) Ms Wragg is head of marketing and sales at Potters. The following facts emerge from her evidence:

- RED KOOGA was launched in the UK in 1976 as “.. a range of ginseng-based health food supplement tablets”.
- In July 2007 a liquid form of RED KOOGA was launched. The products were branded as the RED KOOGA ENERGISE liquid sachet range. A copy of the packaging used in the period 2007-2010 is provided:



I note that on top of the box, the words “food supplement” are used.

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<sup>1</sup> If there is genuine use in the second period then the question of the first period becomes academic in view of the provisions of section 46(3) of the Act.

- Press releases and advertisements are provided as follows:
  - i) An advertisement in *Health Food Business*. The product is described as having the capacity to counteract fatigue. It is a “unique blend of Ginseng, Guarana and B vitamins, available as liquid sachets.... and tablets.... Also available in a chewable blackcurrant and cranberry ginseng pastille....”;
  - ii) An advertisement in *Natural*. The advertisement describes the product as being “formulated to help keep mind and body on top form”. The product contains “...the finest quality ginseng in a blackcurrant flavoured liquid, they’re convenient to use”. A warning on the product states “Food supplements should not be used as a substitute for a varied diet”;
  - iii) An advertising campaign that took place in 2008 is illustrated by what appears to be a flyer or some other form of printed material with such material featuring both the tablet and liquid version of the product. There is little to take from this other than the fact that it is something which energises and contains ginseng. Free samples of the liquid product were given away during this promotion.
  - iv) A press release on Potters’ website from September 2007. The press release highlights potential use of the product by students and that some samples were given away to students in goody bags. The accompanying description states that the products “provide an instant boost to help keep your mind and body on top form with Korean Ginseng and Guarana (Natural Caffeine) in a natural blackcurrant and cherry liquid”.
- Another photograph of the packaging is provided but this time showing the ingredients of the product which are: “Korean Ginseng extract, Thiamin (as Nitrate), Riboflavin, Niacin (as Nicotinamide), Pantothenic acid (as Calcium Pantothenate), Vitamin B6 (as Pridoxine Hydrochloride), Gurana Seed Extract (10% Caffeine), Water, Xanthan Gum, Glycerol BP, DC sugar, Preservative, Potassium Sorbate, Blackcurrant Juice concentrate, Black Cherry Juice Concentrate”.

***RB’s evidence – witness statement of Joanna Munce***

8) Ms Munce is a trade mark attorney at Keltie, the firm with conduct of these proceedings on behalf of RB. Ms Munce’s evidence is intended to show that Potters’ product has been discontinued. Given the scope of the dispute now before me this is no longer relevant. The evidence provided does show an extract from an online retailer about the product (now discontinued), the characteristics of which are similar to those set out in Potters’ own evidence. An extract about the other RED KOOGA products is provided from Potters’ own website but none of the liquid sachets are depicted. The products are for various capsules and tablets that contain ginseng. They are referred to as supplements.

9) In addition to the above evidence, Ms Munce provided detailed written submissions. As well as raising questions about the period of time in which sales had been made, the submissions include RB's argument that the goods on which any use has been made are not those covered by Potters' registration.

***Potters' reply evidence – 2<sup>nd</sup> witness statement of Jane Wragg***

10) Ms Wragg's second witness statement responds to the challenges made about the discontinuation of the product. As already observed, this now has little relevance. The evidence provided takes me no further than the evidence already filed in terms of the nature of the product itself, however, I note that one retailer (Westons.com) categorized the product under the heading "OTC Products" (I assume OTC stands for "over the counter") and another (Pharmacix) categorized it under the sub-headings of "Alternative healthcare > herbal remedies". Ms Wragg also provided submissions. In terms of whether the mark has been used on the goods for which it is registered, I note the following comments that:

- *"Mineral and aerated waters and other non alcoholic drinks"* - the Product consists of the following type of water: *"Purified Water BP"*. The product is made to be drunk and is non-alcoholic, so this item is fair.
- *"Fruit drinks"* – the Product contains fruit juice and is made to be drunk, so this term is fair.
- *"Fruit juices"* – as mentioned above, the Product contains fruit juice, so this item is fair.
- *"Syrups and other preparations for making beverage"* – "Syrup" is defined in the Collins Dictionary as, amongst other things, a "solution of sugar dissolved in water and often flavoured with fruit juice...". Such a description corresponds fairly with the constituents of the Product.

11) Ms Wragg also refers to RB in that it has a history of applying for very wide specifications. It also refers to a cease and desist letter received from RB alleging infringement (and passing-off) of RB's trade marks in class 32. Potters say that this equates to RB saying that the product in question was being used in class 32.

***Further evidence and written submissions***

12) Prior to the hearing Mr Strickland indicated that he had in his possession samples of the product in question should I require them. At the hearing, and without objection from Mr Brandreth, I used my case-management powers to direct that a sample of the product be filed in evidence; this was clearly pertinent to the matters to be determined. Mr Strickland duly filed such evidence which I also take into account. Both sides provided brief written submissions in respect of the physical sample.

## **THE LAW AND THE LEADING AUTHORITIES**

13) The relevant parts of section 46 of the Act read:

“46.-(1) The registration of a trade mark may be revoked on any of the following grounds –

(a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;

(c) .....

(d) .....

(2) For the purpose of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made:

Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) An application for revocation may be made by any person, and may be made either to the registrar or to the court, except that –

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

(6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from –

- (a) the date of the application for revocation, or
- (b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date.”

14) Section 100 of the Act is also relevant, this reads:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

15) The leading authorities on the principles to be applied in determining whether there has been genuine use of a trade mark are the judgments of the Court of Justice of the European Union (“CJEU”) in *Ansul BV v Ajax Brandbeveiliging BV* [2003] R.P.C. 40 and *Laboratoire de la Mer Trade Marks C-259/02*. I do not intend to summarise these cases in full, but taking them in the round, it is clear that the test for genuine use is a qualitative one and not a quantitative one. Genuine use should be found when the trade mark has been used in such a way so as to create or maintain a share in the market for the goods and services for which it is registered. In relation to this market share, this should not be construed as imposing a requirement that a significant market share has been achieved (*Laboratoire de la Mer*, paragraph 44). Genuine use should not be found if use is mere “token” use or if it is merely internal to the registered proprietor’s business (*Ansul*, paragraph 36 & 37 respectively).

16) In terms of fair specifications, I take into account the helpful guidance provided in a number of cases. In *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 Aldous LJ stated at paragraph 31:

“Pumfrey J. in *Decon* suggested that the court’s task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. In my view the task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use.”

In *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-126/03* the GC stated:

“42 The Court observes that the purpose of the requirement that the earlier mark must have been put to genuine use is to limit the likelihood of conflict between two marks by protecting only trade marks which have actually been used, in so far as there is no sound economic reason for them not having been used. That interpretation is borne out by the ninth recital in the preamble to Regulation No 40/94, which expressly refers to that objective (see, to that effect, *Silk Cocoon*, cited at paragraph 27 above, paragraph 38). However, the purpose of Article 43(2) and (3) of Regulation No 40/94 is not to assess commercial success or to review the economic strategy of an undertaking, nor is it to restrict trade-mark protection to the case where large-scale commercial

use has been made of the marks (Case T-334/01 *MFE Marientfelde v OHIM – Vétoquinol (HIPOVITON)* [2004] ECR II-0000, paragraph 32, and Case T-203/02 *Sunrider v OHIM – Espadafor Caba (VITAFRUIT)* [2004] ECR II-0000, paragraph 38).

43 Therefore, the objective pursued by the requirement is not so much to determine precisely the extent of the protection afforded to the earlier trade mark by reference to the actual goods or services using the mark at a given time as to ensure more generally that the earlier mark was actually used for the goods or services in respect of which it was registered.

44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or sub-categories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of 'part of the goods or services' cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.

.....



53 First, although the last sentence of Article 43(2) of Regulation No 40/94 is indeed intended to prevent artificial conflicts between an earlier trade mark and a mark for which registration is sought, it must also be observed that the pursuit of that legitimate objective must not result in an unjustified limitation on the scope of the protection conferred by the earlier trade mark where the goods or services to which the registration relates represent, as in this instance, a sufficiently restricted category.”

In *Animal Trade Mark* [2004] FSR 19 Jacob J held:

“20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a pernicky way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for threeholed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made.”

17) I also note the decision of Professor Annand in *Extreme* BL O-217-10 and the cases she referred to therein. The following is taken from Professor Annand's decision:

**“Part cancellation**

13. The current law on part cancellation for non-use was succinctly summarised by Mr. Geoffrey Hobbs QC sitting as a deputy judge of the High Court in *Daimler AG v. Sany Group Co Ltd* [2009] EWHC 1003 (Ch), paragraph 9:

“The required degree of precision [with which the goods/services of the registration in suit may need to be redefined] has not yet been authoritatively defined by the European Court of Justice (it was touched upon obliquely in Case C418/02 *Praktiker Bau-und Heimwerkermirkte* [2005] ECR I-5873 at paragraphs 49 to 52). In three decisions of the Court of First Instance (Case T- 256/04 *Mundipharma AG v. OHIM* [2007] ECR II-449; Case T-483/04 *Armour Pharmaceutical Co v. OHIM*

[2006] ECR II-4109; Case T-126/03 *Reckitt Benckiser (España) SL v. OHIM* [2005] ECR II-2861) it has been indicated that the outcome should be a specification expressed in wording which covers no independent sub-category or sub-categories of goods other than the one(s) within which the relevant trade mark can be taken to have been used. In the most recent of these decisions (Case T-256/04 *Mundipharma AG* at paragraphs 27 to 36) it was emphasised that the chosen wording should reflect the purpose and intended use of the relevant goods. I have previously expressed the view that the aim should be to arrive at a fair specification by identifying and defining not the particular examples of goods for which there has been genuine use, but the particular categories of goods they should realistically be taken to exemplify (*WISI Trade Mark* [2006] RPC 13, p. 580 at paragraphs 11 to 18; *DATASPHERE Trade Mark* [2006] RPC 23, p. 590 at paragraphs 19 to 25). That appears to me to be consistent with the case law in England (analysed by Mr. Richard Arnold QC sitting as the Appointed Person in *NIRVANA Trade Mark* (BL O/262/06) at paragraphs 36 to 59) and also with the case law of the Court of First Instance. However it is possible, that the case law in England may not fully accord with the case law of the Court of First Instance, as noted in the decision of Mr. Richard Arnold QC sitting as the Appointed Person in *EXTREME Trade Mark (Pan World Brands Ltd v. Tripp Ltd* [2008] RPC 2, p. 21 at paragraphs 51 to 56; see also Bently and Sherman *Intellectual Property Law* 3<sup>rd</sup> Edn (2009) pp 906, 907) ...”

14. In *EXTREME Trade Mark*,<sup>1</sup> Mr. Arnold said:

“52. I considered the principles applicable under section 46(5) at some length in *NIRVANA Trade Mark* (O/262/06) at [36]-[59]. Since then the CFI has given judgment in Case T-256/04 *Mundipharma AG v Office for Harmonisation in the Internal Market* (unreported, 13 February 2007). In that case the opponent’s mark was registered in respect “pharmaceutical and sanitary preparations; plasters”. The applicant did not dispute that the mark had been used in relation to “multi-dose dry powder inhalers containing corticoids, available only on prescription” and the Board of Appeal found that the opponent had only proved use of the mark in relation to those goods. On appeal to the CFI the opponent contended inter alia that use should be taken to have been proven in relation to “therapeutic preparations for respiratory illness”. The CFI upheld this contention.

53. In its judgment, having recapitulated paragraphs [45] and [46] of its judgment in Case T-126/03 *Reckitt Benckiser (España) SL v Office for Harmonisation of the Internal Market (ALADIN)* [2005] ECR II-2861 and recorded that it was not disputed that the mark had been used in relation to “multi-dose dry powder inhalers containing corticoids, available only on prescription”, the CFI went on:

“26. Next, it should be borne in mind that the earlier mark was registered for ‘pharmaceutical and sanitary preparations;

plasters'. That category of goods is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently. Consequently, the fact the earlier mark must be regarded as having been used for 'multi-dose dry powder inhalers containing corticoids, available only on prescription' confers protection only on the subcategory within which those goods fall.

27. In the contested decision, the Board of Appeal held that the earlier mark was to be taken into consideration only in so far as it covered goods the genuine use of which was not contested. It thus defined a sub-category corresponding to those goods, namely 'multi-dose dry powder inhalers containing corticoids, available only on prescription'.

28. That definition is incompatible with Article 43(2) of Regulation No 40/94, as interpreted in the light of *ALADIN*, and applicable to earlier national marks pursuant to Article 43(3) of that regulation.

29. The Court notes in this respect that, since consumers are searching primarily for a product or service which can meet their specific needs, the purpose or intended use of the product or service in question is vital in directing their choices. Consequently, since consumers do employ the criterion of the purpose or intended use before making any purchase, it is of fundamental importance in the definition of a subcategory of goods or services.

30. The purpose and intended use of a therapeutic preparation are expressed in its therapeutic indication. However, the definition employed by the Board of Appeal is not based on that criterion as it does not state that the goods in question are intended for the treatment of health problems and does not specify the nature of those problems.

31. Moreover, the criteria chosen by the Board of Appeal, namely the dosage form, the active ingredient and the obligation to obtain a doctor's prescription, are, as a rule, inappropriate for defining a subcategory of goods as contemplated in *ALADIN*, as the application of those criteria does not fulfil the abovementioned criteria of purpose and intended use of the goods. In fact, a given medical condition can often be treated using a number of types of medication with different dosage forms and containing different active ingredients, some of which are available over-the-counter whilst others are available only on prescription.

32. It follows that, in failing to take into account the purpose and intended use of the goods in question, the Board of Appeal made an arbitrary choice of sub-category of goods.

33. For the reasons set out in paragraphs 29 and 30 above, the subcategory of goods covering those the genuine use of which has not been contested must be determined on the basis of the criterion of therapeutic indication.

34. The sub-category proposed by the intervener, namely 'glucocorticoids', cannot be accepted. That definition is based on the criterion of the active ingredient. As discussed in paragraph 31 above, such a criterion is not generally appropriate by itself for defining subcategories of therapeutic preparations.

35. By contrast, the definition proposed by the applicant and OHIM, namely 'therapeutic preparations for respiratory illnesses', is appropriate in two ways: first, it is based on the therapeutic indication of the goods in question and, second, it allows for the definition of a sufficiently specific sub-category, as contemplated in *ALADIN*.

36. In the light of the foregoing, the Court finds that the earlier mark must be deemed to have been registered, for the purposes of the present case, for 'therapeutic preparations for respiratory illnesses'."

54. Although at first blush this suggests an approach which is somewhat different to that laid down by the English authorities considered in *NIRVANA*, I consider that the difference is smaller than might appear. The essence of the domestic approach is to consider how the average consumer would fairly describe the goods in relation to which the trade mark has been used. Likewise, paragraph [29] of *Mundipharma* indicates that the matter is to be approached from the consumer's perspective.

55. To the extent that there is a difference between them, I remain of the view expressed in *NIRVANA* that I am bound by the English authorities interpreting section 46(5) of the 1994 Act and Article 13 of the Directive and not by the CFI's interpretation of Article 46(2) of the CTM Regulation since, as already noted above, there are differences between the two legislative contexts. Nevertheless I consider that English tribunals should endeavour to follow the latter so far as it is open to them to do so. *Mundipharma* suggests that, within the spectrum of domestic case law, the slightly more generous approach of Jacob J in *ANIMAL Trade Mark* [2003] EWHC 1589 (Ch), [2004] FSR 19 is to be preferred to the slightly less generous approach of Pumfrey J in *DaimlerChrysler AG v Alavi* [2001] RPC 42.

56. Applying these principles to the present case, counsel for the proprietor submitted that a holdall was an item of luggage and would be so described by the average consumer having regard to its purpose and intended use and that it was not appropriate to attempt to sub-

divide “luggage” into narrower subcategories. With some hesitation, I have come to the conclusion that I accept these submissions”.

15. In *NIRVANA*, Mr. Arnold identified that the main difference between the approaches of the English courts and the General Court was that the former based a fair description of the use that had taken place on the perception of the average consumer whereas the latter provided no clear yardstick for determining when a sub-category of products cannot be further divided. To my mind, a danger with the category/subcategory approach is that invites sub-division according to the product(s) concerned. A tribunal may be seduced into equating a fair description with actual use shown.”

18) Finally, I also note the comments of Mr Geoffrey Hobbs QC, sitting as the appointed person, in *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10, where he stated:

“However, that does not appear to me to alter the basic nature of the required approach. As to that, I adhere to the view that I have expressed in a number of previous decisions. In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

## **DECISION**

19) The nub of the question is whether the product shown in Potters’ evidence would be fairly described by the average consumer as any of the products in its class 32 specification or fairly described as a product that would fall within the ambit of any of those terms. The terms in the specification are:

- i) Mineral and aerated waters;
- ii) Other non alcoholic drinks;
- iii) Fruit drinks and fruit juices;
- iv) Syrups and other preparations for making beverages.

20) In its further written submissions, Potters suggested that it would be content, if I deemed it necessary, for its specification to be restricted to: energy drinks or energy (drink) liquid sachets; this is borne in mind.

21) The question is easily answered in respect of categories i) and iv) as the product in question is certainly not a mineral or aerated water nor is it a syrup or other preparation for making a beverage. At the hearing Mr Strickland highlighted that the product may be syrup-like in nature. That may or may not be the case, however, the term in question covers syrups (and others preparations) for making beverages. There is no evidence whatsoever to show that the product upon which the mark has been used is one for making up into beverages. Indeed, the evidence is that this is not the case with the product simply consumed as is. The product will not be

described by the average consumer as any of the terms within categories i) or iv) nor would it be capable of falling within those terms.

22) In terms of category iii), fruit juice is discounted because the product would certainly not be described as a fruit juice even if it has a fruit extract as an ingredient. Fruit drinks falls within the ambit of category ii) so it puts Potters in no better position. Category ii) is for non-alcoholic drinks generally. Such a term would encompass the conditionally restricted terms put forward by Potters of “energy drinks”/“energy (drink) liquid sachets”. Both these terms still relate to drinks and I must, therefore, be satisfied that the average consumer would describe the actual product as a drink.

23) Mr Strickland argued that as the product in question is clearly a liquid and that because it is consumed by drinking then, it follows, that the product would be fairly described as a drink. He argued that it matters not that the product could also be described as something else. Dictionary extracts were referred to, highlighting that a drink was a “liquid suitable for drinking”. Mr Brandreth took a different view. He argued that Potters’ product was not a drink even though it may be liquid in nature; it was considered that Potters were making an unrealistic linguistic argument in its submissions. It was argued that the product was simply a food supplement of some form and that it was merely liquid in nature for ease of administration; the method of selling and packaging used was highlighted as something which supports this. It was argued to be wholly unrealistic for anyone to describe the product as a drink. The restriction to “energy (drink) liquid sachets” was considered to be an attempt to shoehorn the product, through the use of the word drink, into class 32, but the reality remained that it was not a drink.

24) There is no dispute that the product is liquid in nature. The product is described as a liquid on its packaging and upon inspection of the physical sample this can also be felt. The product seems to have a slightly thicker consistency than a water-based product, having a more syrup-like feel. The product is clearly intended to be consumed orally. One is to tear off the top of the packaging, to insert it into one’s mouth, with the entire contents swallowed. This could be said to be an act of drinking. However, this fact alone is unlikely to mean that the average consumer would consider the product to be a drink. I agree with Mr Brandreth that just because something has the capacity to be drunk, this does not make it a drink, and certainly not a drink in class 32. The Nice class heading<sup>2</sup> and explanatory remarks for class 32 read:

“Beers;  
mineral and aerated waters and other non-alcoholic drinks;  
fruit drinks and fruit juices;  
syrups and other preparations for making beverages.

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<sup>2</sup> I briefly discussed the scope of the class heading at the hearing and, if the specification as registered was the class 32 heading, whether there was a need to consider if the specification covered just the listed terms or whether it covered everything in the class (see the pending reference to the CJEU in *IP Translator*) – however, as can be seen, the specification is not the class heading so there is no need to debate this point.

### *Explanatory Note*

Class 32 includes mainly non-alcoholic beverages, as well as beer.

*This Class includes, in particular:*

- de-alcoholised drinks.

*This Class does not include, in particular:*

- beverages for medical purposes (Cl. 5);
- milk beverages (milk predominating) (Cl. 29);
- beverages with coffee, cocoa or chocolate base (Cl. 30)."

25) As the explanatory notes explain, goods in class 32 (or at least the ones relevant to my decision) are beverages of various sorts. The product upon which the trade mark has been used has not been sold as a beverage or a drink. The packaging, as noted in my evidence summary, refers to it as a food supplement. Mr Strickland suggested that this description was to meet food labelling regulations. There is no evidence about this, but the fact remains that this is how the product is described which will have an influencing factor on the average consumer who encounters the product. RB's evidence also shows the product on the websites of retailers who list the product as an "OTC Product" or an "Alternative healthcare > herbal remedies" product. This is symptomatic of how the product is likely to be categorised which, in turn, will also inform the average consumer's perception of the product. Potters provided a number of press-releases and other pieces of evidence about the product. At no point is the product ever referred to as a drink or beverage. The product is referred to as ginseng (and other ingredients) in a blackcurrant liquid. It does not describe the product as a ginseng (and other ingredients) drink or beverage. The use of the word "liquid" is not an ordinary alternative word for a drink or a beverage. The word "liquid" merely describes the physical state of the product as opposed to its product categorisation or type.

26) Whilst it may be counterintuitive to believe that the average consumer will describe the product as a drink or a beverage in the face of Potters' marketing and packaging (and the categorisation by retailers), I must countenance the possibility. However, the product is sold in small 8ml sachets, this does not strike me as a normal form of packaging for drinks or beverages. The product seems to have a syrup-like consistency, again, this does not fit in with most people's expectations of what a drink or beverage is. Setting alcoholic beverages to one side, drinks and beverages are normally consumed in order to quench thirst, to hydrate, or to drink alongside a meal. This is not an exhaustive list, but the product in question does not fall within such norms. Drinks may perform dual roles, for example, there is no doubt that a ginseng based energy drink would fall in class 32, but the product would still have to be a drink. None of what I have said about the product is indicative of the average consumer considering the product to be a drink. I come to the view that the product in question would not be fairly described as a drink of any sort. I have answered the question in the negative (what it would not be described as), but in terms of what the product would be described as then it would be some form of liquid food/vitamin/mineral supplement. I consider Mr Brandreth to be correct in that the product is a food or vitamin product that is simply in liquid form for ease of administration. Such a product is likely to fall in class 5. It certainly does not fall within any of the terms listed in the specification. The outcome is consistent with the genuine use test. The test relates to use in such a way so as to create or maintain a

share in the market for the goods for which it is registered. Potters have not created or maintained a share in the market in the drinks sector.

27) One final point I should note is that Mr Strickland referred to a cease and desist letter sent by RB to Potters. It was argued that the letter was indicative of RB's view that the product in question, contrary to what it argues in these proceedings, was actually a drink. This has no relevance. Firstly, the letter in question does not even say this and Mr Strickland is making too much of an inference from the content of the letter. Furthermore, RB has made it clear what it is arguing in these proceedings and its arguments must be considered on their merits. Any claim that RB is prevented from approbating and reprobating on the same point (which I have, in any event, not found) would rest with a claim to estoppel by election. No form of estoppel was claimed so I need say no more about this. I also need say no more about any reference to RB filing wide specifications itself – this is simply irrelevant.

### **CONCLUSION**

28) The application for revocation is successful. The registration is revoked under the provisions of section 46(6)(b) of the Act with effect from 2 August 2002.

### **COSTS**

29) RB having been successful, it is entitled to a contribution towards its costs. I hereby order Potters Limited to pay Red Bull GmbH the sum of £1600. This is calculated as follows:

Preparing a statement and considering the other side's statement  
£300

Fee for filing application for revocation  
£200

Filing evidence and considering Potters' evidence  
£500

Attending the hearing  
£600

30) The above sum should 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 24th day of June 2010.**

**Oliver Morris  
For the Registrar  
The Comptroller-General**