

O-399-11

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 2519984  
BY  
YOKI ALIMENTOS S.A.  
TO REGISTER THE TRADE MARKS**



**(A SERIES OF TWO MARKS)**

**IN CLASSES 29, 30 AND 31**

**AND**

**THE OPPOSITION THERETO  
UNDER NO 100035  
BY  
SOCIÉTÉ DES PRODUITS NESTLÉ S.A.**

## Trade Marks Act 1994

In the matter of application No 2519984  
by Yoki Alimentos S.A.  
to register the trade mark



(a series of two marks) in classes 29, 30 and 31

and the opposition thereto under no 100035  
by Société Des Produits Nestlé S.A.

1. On 1 July 2009, Yoki Alimentos S.A. (“the applicant”) applied to register the above series of two trade marks. The application was published in the *Trade Marks Journal* on 23 October 2009. Following the filing of these opposition proceedings, the applicant restricted its specifications in classes 29 and 31. The application now stands for the following goods:

Class 29: *Meat, fish, poultry and game; meat extracts; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats; prepared meals; snacks; prepared snacks for human consumption; processed nuts; coated nuts; but excluding prepared almonds, candied fruits, frozen fruits, fruit preserves, crystallised fruit, dates, fruit peel, fruit zest, fruit salads and fruit slices, fruit preserved in alcohol, prepared fruits, walnuts and hazelnuts, pecan nuts, cola nuts, coconuts, macadamia nuts, cashew nuts, Brazil nuts, pine nuts, dried fruit products including almond, walnut or hazel nut purees, fruit pulp, fruit jellies, dried almonds, walnuts and hazelnuts.*

Class 30: *Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals; meal; bread, pastry and confectionery, ices; honey, treacle; yeast, baking powder; salt, mustard; vinegar, sauces (condiments); spices; ice; popcorn; dough; coarsely ground wheat; wheat flour.*

Class 31: *Grains not included in other Classes; fresh fruits and vegetables, seeds, natural plants and flowers; malt; wheat; raw popcorn; but excluding walnuts, hazelnuts, almond fruits, almond nuts. Whole, ground, shelled, slivered, fresh, kernels, walnut, hazelnut or almond shells, cola nuts, coconuts, macadamia nuts, cashew nuts, Brazil nuts, pine nuts.*

2. Société Des Produits Nestlé S.A. (“the opponent”) claims that registration of the application would be contrary to sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (‘the Act’). In relation to the first two grounds of opposition, the opponent relies only upon some of the goods of two earlier United Kingdom trade mark registrations, these particular goods being shown below:

(i) 1061501

YORKIE

Class 30: *Chocolate, chocolates, non-medicated confectionery.*

Date of application: 12 April 1976

Date of completion of registration procedure: 27 April 1977<sup>1</sup>

(ii) 1322399

YORKIE

Class 30: *Chocolate, chocolates, chocolate products (for food), non-medicated confectionery, candy (for food); snack foods.*

Date of application: 24 September 1987

Date of completion of registration procedure: 13 June 1990

3. In relation to the section 5(2)(b) claim, the opponent makes a partial attack on the following goods of the application:

Snacks; prepared snack for human consumption, cocoa, pastry and confectionery, ices; ice; popcorn.

These goods are also attacked under section 5(4)(a), for which purpose the opponent relies upon use of the following sign, which it claims was first used in the UK in 1976 for chocolate, chocolates, chocolate products (for food); non-medicated confectionery, candy (for food); snack foods:

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<sup>1</sup> As per the notice in Journal 5725, which confirmed that, prior to June 1986, the date of the Journal in which the fact of registration was recorded in the list of trade marks registered was the actual date of registration; see the decision of Geoffrey Hobbs Q.C., as the appointed person, in *WISI* [2006] RPC 17.



4. The opponent claims, under section 5(2)(b), that the goods upon which it relies are identical or similar to those which it opposes under this ground and that this, together with the visual and phonetic similarities between the marks, would result in a likelihood of confusion. In relation to section 5(4)(a), the opponent's case is that its sign has been extensively promoted and used in the UK since 1976, particularly in relation to chocolate confectionery. Owing to its claimed substantial reputation and goodwill, the opponent claims that it is entitled to prevent use of the application by virtue of the common law right of passing-off because there would be misrepresentation leading to damage to the opponent's goodwill.

5. In relation to the section 5(3) claim, the opponent attacks all of the goods of the application. It claims that its reputation, together with the similarities between the marks, would cause the average consumer to consider that the applicant's goods originate from, or are authorised by or are, in some way, commercially connected to the opponent and that use of the mark would, accordingly, take unfair advantage of, or be detrimental to the distinctive character or repute of the opponent's marks.

6. The applicant filed a counterstatement in which it denied all of the opponent's grounds. It also put the opponent to proof of use of its marks, the opponent having made a statement of use in respect of all of the goods on which it relies. As both of the earlier marks completed their registration procedures more than five years before the date on which the application was published, they are earlier marks which are subject to the proof of use provisions<sup>2</sup>.

7. Both parties filed evidence and submissions and the matter then came to be heard before me on 19 September 2011. The opponent was represented by Mr Simon Malynicz, of Counsel, instructed by Nestlé UK Ltd, and the applicant was represented by Mr Benet Brandreth, of Counsel, instructed by Marks & Clerk LLP.

8. At the hearing, Mr Brandreth made certain concessions in order to focus on the main area of dispute which he held to be the comparison of the parties' marks. Mr Brandreth acknowledged that:

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<sup>2</sup> See section 6A of the Act (added by virtue of the Trade Marks (Proof of Use, etc.) Regulations) 2004 (SI 2004/946) which came into force on 5<sup>th</sup> May 2004.

- (i) there was genuine use by the opponent of the earlier marks for the goods relied upon in the relevant five year period;
- (ii) the goods of the parties are either identical or highly similar;
- (iii) the opponent has a reputation in Yorkie for chocolate bars.

Bearing this in mind, I do not intend to make a summary of the evidence but I will, instead, draw out and refer to facts as and when I consider them to be relevant to this decision.

## **Decision**

### **Section 5(2)(b)**

9. Counsel for both sides elected to proceed on the basis of only one of the earlier marks pleaded, 1322399, because the mark is identical to the other earlier right and the goods specification is wider. That is also the approach which I will take in this decision.

10. The leading authorities which guide me in this ground are from the Court of Justice of the European Union ('CJEU'): *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, *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 for 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) 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*

f) 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*.

(g) 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*,

(h) 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*,

(i) 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*,

(j) 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*,

(k) 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*,

(l) 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*.

#### Average consumer and the purchasing process

11. The average consumer is reasonably well informed and reasonably circumspect and observant, but his level of attention is likely to vary according to the category of goods or services. The average consumer for the parties' goods is the general public. It was common ground at the hearing that the purchasing act is visual; however, there was a difference of opinion as to the level of attention paid to the purchase, in particular, of chocolate. Mr Malynicz characterised the goods as fast moving consumer products, bought by eye,

bought without much reflection and often at speed, and often bought at a checkout when buying something else, perhaps as an impulse purchase. This is the classic ‘bags of sweets’ argument. Mr Brandreth submitted that not all fast moving consumer goods can be categorised as prone to impulse purchasing whims. In relation to the wider category of foodstuffs, he cited considerations such as preferences for ethical production, organic production, suitability for a recipe, taste preferences and ethnic authenticity, all of which might cause the average consumer to make a more careful choice than Mr Malynicz considered to be the case. Even though the foodstuffs might be relatively cheap, a low price would not affect the careful purchasing choice.


12. There is substance in both these submissions. Focussing on chocolate in particular, the modern chocolate consumer has a choice ranging from traditional types of confectionery sold in kiosks and at point-of-sale displays to single origin organic chocolate sourced from ethically managed cocoa plantations. Some time or little time may be spent choosing the product. This also applies to the wider goods of the applicant. On balance, the level of attention of the average consumer for the parties’ goods is neither high nor low: it is average.

Comparison of goods

13. The applicant has conceded that the parties’ goods are either identical or highly similar so I do not propose to make an analysis here of the goods; however, to the extent that high similarity of goods rather than identity of goods has a part to play in the interdependency principle (*Canon*), I will come back to this, if necessary, when making the global comparison as to whether a likelihood of confusion exists.

Comparison of trade marks

14. The marks to be compared are:

Opponent’s mark	Applicant’s marks
<p style="text-align: center;">YORKIE</p>	

15. In relation to the series and the relevance or otherwise of the colour elements, both Counsel made their submissions on the basis that colour was not a factor in the comparison<sup>3</sup>, although Mr Brandreth drew attention to the shading in the visual comparison. As colour is not an issue and both marks contain shading which appears identical when the top mark is drained of colour, I will treat the marks in the series as if they are the same and I will refer to them in the singular for the remainder of this decision.

16. The authorities direct that, in making a comparison between the marks, I must have regard to each mark's visual, aural and conceptual characteristics. I have to decide which, if any, of their components I consider to be distinctive and dominant, without engaging in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details. The opponent's mark consists of a single word which is self-evidently its distinctive and dominant component. Mr Brandreth described the shaded parts of the applicant's mark as comprising an eye-shaped background and that the oriental writing was presented on shading which is different to the shading on which the word YOKI appears. Neither the shading nor the oriental characters form the dominant elements of the mark: the dominant and distinctive component of the applicant's mark is YOKI, although that is not to say that the other components are to be ignored.

17. The visual comparison is to be made between, on the one hand, a word only mark and, on the other, a complex mark in which the word YOKI is the dominant and distinctive element. The similarities between YOKI and YORKIE are that all the letters of YOKI are present in YORKIE, in the same order and that both words commence with YO. The differences between YOKI and YORKIE are that YORKIE contains an R in its middle portion and an E at the end, with the obvious effect that YOKI is a word of four letters whilst YORKIE has six letters, the end letter being different to the end letter in YOKI. However, the remaining components of the applicant's mark are entirely absent from the opponent's mark. These are the so-called eye-shaped device (or background) and the oriental words or characters. The device sweeps to the right, inviting the eye to travel to where the oriental characters are positioned on different shading to the background for YOKI. The oriental characters are not large but neither are they *de minimis*. Their presence, together with the shaded device, puts a further degree of distance visually between the marks, in addition to the differences between YOKI and YORKIE. As a matter of overall visual impression, the level of visual similarity between the marks is moderate.

18. There are at least two possibilities regarding pronunciation of YOKI: the UK average consumer will not recognise it as an English word (because it is not one). The most likely pronunciation will either be with a long O, as in the word

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<sup>3</sup> *Specsavers International Healthcare Limited & Others v Asda Stores Limited* [2010] EWHC 2035 (Ch).



'toe' (YOE-KEE) or with a short O, as in jockey. YORKIE is more familiar in construction to the English ear (and eye). The presence of the R, realistically, allows for only one pronunciation possibility, the equivalent of YOUR-KEE. The difference made by the R is noticeable, compared to either of the possibilities for YOKI. YOKI is the only element of the applicant's mark capable of pronunciation by the average UK consumer (i.e. not taking into account UK residents who may understand the oriental writing). There is a reasonable level of aural similarity between the marks.

19. Mr Brandreth submitted that YORKIE, for the average UK consumer, would be evocative of the city of YORK or the county of Yorkshire. Whilst familiarity with YORK as a syllable of YORKIE will inform as to pronunciation, I think it unlikely that the YORK element plays any part beyond this, and am therefore doubtful that it creates the evocative concept which Mr Brandreth suggested. At the most, people may be aware that a Yorkie is a shortened form of the Yorkshire Terrier dog breed. This, however, is unlikely in the context of the goods. The position is more likely to be that, although there is no particular concept brought to mind by YORKIE, there is an understanding of its pronunciation because of the YORK syllable. I should be careful not to conflate this with a conceptual perception. Even if I am wrong in this, I do not think the concept, if it is there, would be capable of arousing immediate recognition.

20. YOKI is not an English word. It is not similar to any English word and is not evocative of any English word. It has no concept. Viewed in combination with the oriental characters and, although the average UK consumer will not know what the characters mean, the mark has an oriental identity; however, to say that this is a concept in the sense of the mark having a meaning would be putting it too highly. The parties' marks are neither conceptually similar nor dissimilar.

21. In summary, the marks are moderately similar visually, are reasonably similar aurally and are neutral in terms of conceptual similarity. I will bring forward these points when I come to make a global assessment as to whether there is a likelihood of confusion.

#### Distinctiveness of the earlier mark

22. It is necessary to consider the distinctive character of the opponent's mark because the more distinctive it is, either by inherent nature or by use (nurture) the greater the likelihood of confusion<sup>4</sup>. The distinctive character of a trade mark must be assessed by reference to the goods or services in respect of which registration is sought and by reference to the way it is perceived by the relevant public<sup>5</sup>. YORKIE has no immediately recognisable concept for the average UK

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<sup>4</sup> *Sabel BV v Puma AG* [1998] RPC 199.

<sup>5</sup> *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91.

consumer so is, effectively, an invented word, high in inherent distinctive character. The evidence filed by the opponent is almost wholly focussed upon chocolate bars, as a subset of confectionery. The evidence shows a very substantial reputation in YORKIE chocolate bars, with turnover reaching £38 million in 2005. This reputation was a fact acknowledged by Mr Brandreth and one which the Tribunal would, in any event, be entitled to take as a notorious fact. To the extent that the use may enhance what is already an inherently high distinctive character, this has been achieved in respect of chocolate bars, but not in relation to the other goods upon which the opponent relies because the evidence does not support it. Of course, the mark is still inherently high in distinctive character for the other goods.

### Likelihood of confusion

23. In deciding whether there is a likelihood of confusion between the marks, I must weigh the various factors I have identified. I bear in mind the effect which the predominantly visual and averagely attentive purchasing process has upon the comparative elements of the marks, whilst keeping in mind the whole mark comparison. A further factor is the principle of interdependency, whereby a lesser degree of similarity between the goods may be offset by a greater degree of similarity between the trade marks, and vice versa (*Canon*).


24. A number of competing factors were highlighted during the course of the parties' submissions. As Mr Malynicz pointed out, it is a rule of thumb that the beginnings of marks are more important. As this is a rule of thumb, other factors may offset it. In this case, there is the fact that the word elements of both marks are short and that differences between short words are more noticeable than is the case for longer words. Mr Malynicz referred to the decision of Mr Richard Arnold QC, sitting as the Appointed Person in *Kennedy Fried Chicken*, O-227-04, in connection with the proposition that "the eye sees what it wants to see"<sup>6</sup>. However, in that case, it was considered that there was a similarity in structure between the three words in each of the marks. In this case, there is only a single word in each mark, both of which are short in length; the structural argument has less force. It is fair to say that Mr Malynicz's reliance upon this argument had more to do with the reputation of YORKIE compared to the unknown word YOKI and the average consumer's reaction when buying the goods in a hurry. This is the 'bags of sweets' idea and effectively downgrades the proposition that the average consumer is reasonably well informed and reasonably circumspect and observant in this visual purchase which is neither high nor low in terms of the level of attention.

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<sup>6</sup> Mr Arnold said "18. I consider that there is force in the appellant's submission that human beings have a tendency to see what they expect to see, and so some consumers would be likely to misread KENNEDY FRIED CHICKEN as KENTUCKY FRIED CHICKEN because, on a quick visual scan, they would see the overall structure KEN ... Y FRIED CHICKEN and jump to the conclusion that the phrase was KENTUCKY FRIED CHICKEN. I consider that there would also be potential for mishearing for similar reasons."

25. The marks in this case are only similar to a moderate degree visually and the goods are primarily purchased by sight. There is no conceptual similarity. The highest level of similarity is at aural level, but these are not goods which are purchased orally. Even where identical goods are concerned, and bearing in mind the interdependency principle, I consider that the differences between the marks outweigh the similarities. Although the opponent's mark is high (or very high) in distinctive character, I do not believe the average consumer, in the course of his or her averagely attentive visual selection of the goods, will be



confused into believing that a  bar is a YORKIE bar (or vice versa), nor that there is an economic connection between them. The overall impressions of the marks are too far removed. I say this in relation to the opponent's best case i.e. in respect of its highly distinctive earlier mark in relation to identical goods. It can be in no better a position in respect of goods which are highly similar rather than identical so there is no need for me to make a comparison of the goods to assess the situation in relation to goods which are not identical. The opposition fails against all of the applicant's goods which were opposed under the section 5(2)(b) ground.

### **Section 5(4)(a)**

26. As the opponent has not succeeded under section 5(2)(b) in relation to identical goods and its word-only mark, its section 5(4)(a) ground has no better prospect of success. This ground of opposition also fails.

### **Section 5(3)**

27. It is a pre-requisite of this section of the Act that the earlier mark has the necessary reputation at the relevant date, as per *General Motors Corporation v Yplon SA* [1999] E.T.M.R. 950. As I have indicated above, the opponent clearly had a high reputation in chocolate at the relevant date, although this level of reputation does not extend further than chocolate.

28. However, establishing that there is a sufficient reputation is only the first step in the conditions necessary for success under section 5(3) of the Act. The opponent must also establish that there would be a link between the marks, as per the CJEU's judgment in *Intel Corporation Inc. v CPM United Kingdom Limited*, Case C-252/07<sup>7</sup>. Although it is unnecessary to find that there is a

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7. "1. Article 4(4)(a) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks must be interpreted as meaning that whether there is a link, within the meaning of Case C-408/01 *Adidas-Salomon and Adidas Benelux*, between the earlier mark with a reputation and the later mark must be assessed globally, taking into account all factors relevant to the circumstances of the case.

likelihood of confusion in order to find that there is a link<sup>8</sup>, my comments in relation to the similarity of marks also lead me to conclude that there is insufficient similarity between the marks, even in relation to identical goods (as opposed to dissimilar goods) to cause the average consumer to bring the opponent's mark to mind: there would be no link between them. The opposition under section 5(3) fails.

### Costs

29. The applicant has been successful and is entitled to an award of costs on the following basis<sup>9</sup>:

Considering the other side's statement and preparing a counterstatement:	£300
Preparing evidence/submissions and considering the other side's evidence/submissions	£1000
Preparing for and attending a hearing	£700
<b>Total:</b>	<b>£2000</b>

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2. The fact that, for the average consumer, who is reasonably well informed and reasonably observant and circumspect, the later mark calls the earlier mark with a reputation to mind is tantamount to the existence of such a link, within the meaning of Adidas-Salomon and Adidas Benelux, between the conflicting marks."

<sup>8</sup> *Ferrero SpA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case C-552/09 P*: "53 It is true that those provisions differ in terms of the degree of similarity required. Whereas the implementation of the protection provided for under Article 8(1)(b) of Regulation No 40/94 is conditional upon a finding of a degree of similarity between the marks at issue such that there exists a likelihood of confusion between them on the part of the relevant section of the public, the existence of such a likelihood is not necessary for the protection conferred by Article 8(5) of that regulation. Accordingly, the types of injury referred to in Article 8(5) may be the consequence of a lesser degree of similarity between the earlier and later marks, provided that it is sufficient for the relevant section of the public to make a connection between those marks, that is to say, to establish a link between them (see, to that effect, *Adidas-Salomon and Adidas Benelux*, paragraphs 27, 29 and 31, and *Intel Corporation*, paragraphs 57, 58 and 66).

54 On the other hand, it is not apparent either from the wording of those provisions or from the case-law that the similarity between the marks at issue must be assessed in a different way, according to whether the assessment is carried out under Article 8(1)(b) of Regulation No 40/94 or under Article 8(5)."

<sup>9</sup> As per the scale in Tribunal Practice Notice 4/2007.

30. I order Société Des Produits Nestlé S.A. to pay Yoki Alimentos S.A. the sum of £2000. 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 17<sup>th</sup> day of November 2011**

**Judi Pike  
For the Registrar,  
The Comptroller-General**