

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NO. 2526769 IN THE
NAME OF DELTA PRONATURA DR. KRAUSS & DR. BECKMANN KG**

**AND IN THE MATTER OF OPPOSITION NO. 100352 THERETO BY PUNCH
INDUSTRIES**

**OPPONENT'S APPEAL TO THE APPOINTED PERSON FROM THE
DECISION OF MR GEORGE W. SALTHOUSE DATED 23 JUNE 2011**

DECISION

Introduction

1. This appeal concerns an opposition brought by Punch Industries (“**the opponent**”) against trade mark application no. 2526769 filed on 22 September 2009 by delta pronatura Dr. Krauss & Dr. Beckmann KG (“**the applicant**”). The application is for the composite mark



in respect of the following goods:

Class 1: chemicals used in industry, including washing and cleaning agent additives, cleaning agents for commercial and industrial use;

Class 3: bleaching preparations and other substances for laundry use; cleaning agents (in this class), in particular stain removing preparations, power cleaners, multi-purpose cleaners; preparations for removing lime, soap, rust, dirt, paint and other deposits or residues; washing-up preparations;

Class 5: disinfectants; cleaning agents (in this class)

(“**the Mark**”).

2. The opponent opposed this application under section 5(2)(b) of the Trade Marks Act 1994 (the ‘Act’) on the basis of the following earlier UK registered mark:

No.	Mark	Application/ Registration Date	Specification
2537192	COLOR COLLECTOR COLOUR COLLECTOR (a series of two)	A: 26.01.2010 R: 28.05.2010 Priority date: 04.08.2009 (Ireland)	Class 3: impregnated treated synthetic cellulose non-woven apertured sheets used in washing; laundry fabric conditioners, softeners, dirt and dye attracters; bleaching preparations and other substances for laundry use; cleaning, polishing, degreasing and abrasive preparations. Class 21: articles for cleaning purposes; cloths for cleaning.

3. The opponent’s mark is an earlier trade mark for the purposes of section 6(1)(a) of the Act. Whilst its filing date post-dates that of the Mark, it claims priority from an earlier Irish mark, whose date of application was 4 August 2009.
4. On 23 June 2011, George W. Salthouse, hearing officer for the Registrar, issued a decision (BL O-233-11) rejecting the opposition in full (“the **Decision**”).

The Decision

5. The hearing officer set out the details of the parties’ respective trade mark application and registration in issue and then briefly summarised the evidence submitted by the opponent.
6. He set out the basis for the opposition and the usual Registry summary of the guidance derived from decisions of the Court of Justice of the European Union (“**CJEU**”), which I shall not repeat here.
7. He considered the character of the opponent’s earlier mark, as follows:

“17) The opponent has made only a brief mention of use of the mark in the UK but has not provided any context such as the overall size of the UK market, market share or independent evidence that the mark relied upon has become known to the public or to the trade. Therefore, the opponent cannot enjoy enhanced protection because of reputation. However, I do accept that

the opponent's mark has some inherent distinctiveness, albeit a relatively low level, for the goods for which it is registered."

8. He then recorded the fact that it had been accepted at the hearing that the Class 3 goods of the two parties were identical, whilst the applicant's goods in Classes 1 and 5 were very similar to the opponent's Class 3 goods (paragraph 19). He stated his view that the goods covered by each party's marks are "*aimed at the general public*" and that "*such items are not purchased without some consideration, not least as they have different functions in the house such as laundry or bathroom cleaners*", but that he had to take into account the concept of imperfect recollection (paragraph 20).
9. The hearing officer summarised the respective arguments of the parties as to the dominant and distinctive features of the two marks, and the overall impression of each of them, and then set out his conclusions as follows:

"26) To my mind, the mark in suit comprises of a dominant and distinctive house mark "Dr Beckmann Original & logo" and a very descriptive element "colour & dirt collector". In reaching this conclusion I take into account that the goods in the specification applied for are, broadly, chemical cleaning products. Therefore, the average consumer when viewing the mark in suit will regard the words "colour & dirt collector" as simply a description of precisely what the product does. I do not accept the contention that these words have an independent distinctive role within the mark in suit. The opponent's mark is also different to these words as it consists of simply "colour collector". This mark I have already commented has a very low level of distinctiveness as it is suggestive of the products for which it is registered. The mark in suit has the words "& dirt" interposed between the two words in the opponent's mark. This makes this element of the applicant's mark even more descriptive of the product and takes it far enough away from the opponent's mark that there will be no confusion even between these two elements. When the "house mark" element of the mark in suit is added to the equation the marks are completely different, visually, aurally and conceptually.

27) I must now 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. Even though the goods in Class 3 are identical the marks are so different that I believe that there is no 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 fails."

10. Having reached that conclusion, the hearing officer ordered the opponent to pay the applicant a contribution to its costs of £1,300.

Appeal

11. The opponent has appealed to the Appointed Person under section 76 of the Act, raising two objections to the Decision. In summary, the opponent contends that the hearing officer:

- (1) made two incorrect findings of descriptiveness at paragraph 26 of the decision, and in doing so, he failed to treat the opponent's mark as having average or normal distinctive character; and
- (2) erred in his application of the principle set out by the CJEU in Case C-120/2004 Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH, E.C.R. I-8551, as understood following later decisions of the General Court.

12. The correct approach to this appeal is for me to review the Decision, not re-hear the case. I should be reluctant to interfere in the absence of a distinct and material error of principle. Further, a decision does not contain an error of principle merely because it could have been better expressed. (See REEF Trade Mark [2002] EWCA Civ 763 at [28] and [29]; and Galileo International Technology. LLC v. European Union [2011] EWHC 35 (Ch) at [11]-[14].) This was accepted by both representatives of the parties who appeared before me on the appeal: Mr Simon Malynicz for the opponent and Mr Bruce Marsh for the applicant.

Ground (1) – Findings of Descriptiveness

13. The opponent claims that the hearing officer made two incorrect findings on descriptiveness, both at paragraph 26 of the Decision:

- (1) firstly, that the opponent's mark has a "*very low level of distinctiveness as it is suggestive of the products for which it is registered*"; and
- (2) secondly, that the Mark contains a "*very descriptive element*", i.e. "Colour & Dirt Collector".

14. Mr Malynicz, for the opponent, argued in particular that:

- (1) on the basis of the CJEU's decision in Case C-196/11 P Formula One Licensing BV –v- OHIM (24 May 2012, unreported), the hearing officer should have presumed the opponent's mark to be of average distinctiveness, whereas instead he treated it as being so descriptive as to be unregistrable;
- (2) the hearing officer extracted the "Colour & Dirt Collector" component from the Mark and "*considered it in a vacuum*", ignoring its colour and

presentation, whereas – as presented in the Mark as a whole – it has an independent distinctive role; and

- (3) in making his findings set out at paragraph 13 above, the hearing officer took a “global” approach, treating all of the goods covered by both marks in issue as being of the same nature for the purposes of considering descriptiveness, whereas there were goods serving different functions covered by each mark and thus it was inappropriate to treat them all in the same way.

Assessment of the opponent’s mark

15. Mr Malynicz argued that the hearing officer’s finding at paragraph 26 that the opponent’s mark has a “*very low level of distinctiveness*” effectively amounted to a finding of descriptiveness to the point that it should be treated as unregistrable. I disagree. The hearing officer had already stated at paragraph 17 that the opponent’s mark “*has some inherent distinctiveness, albeit a relatively low level, for the goods for which it is registered*”; and, at paragraph 26, he described it not as being wholly descriptive or non-distinctive, but as having a “*very low level of distinctiveness as it is suggestive of the products for which it is registered*”. As Mr Marsh pointed out, this is standard terminology used when it is recognised that a mark has some distinctive character, but is nevertheless allusive or suggestive of the function of the goods concerned.
16. Further, I find that the hearing officer’s comments on the opponent’s mark are in line with the Formula One case, which was decided after the date of the Decision. Formula One involved opposition proceedings brought against a Community trade mark (“CTM”) application on the basis of, *inter alia*, national trade mark registrations protecting a mark that was identical to a component of the later CTM application. The General Court had found that component (“F1”) to be descriptive and devoid of distinctive character and, in doing so, had called into question the validity of the earlier national registrations. The CJEU focused its attention on the coexistence of Community trade marks and national trade marks and held that:
 - (1) “*the validity of an international or national trade mark [...] may not be called into question in proceedings for registration of a Community trade mark, but only in cancellation proceedings brought in the Member State concerned*” (paragraph 38); and
 - (2) in such opposition proceedings, “*it is not possible to find, with regard to a sign identical to a mark protected in a Member State, an absolute ground for refusal, such as the lack of distinctive character*” (paragraph 41). However, OHIM and the General Court must “*verify the way in which the relevant public perceives the sign which is identical to the national mark in the mark*

applied for and evaluate, if necessary, the degree of distinctiveness of that sign” (paragraph 42), bearing in mind that such verification has limits and cannot result in a finding of lack of distinctiveness (paragraphs 43-44).

17. Consequently, the CJEU found that “*it is necessary to acknowledge a certain degree of distinctiveness of an earlier national mark on which an opposition against the registration of a Community trade mark is based*” (paragraph 47 – emphasis added).
18. By analogy, the General Court held that the same principle applies in the context of opposition proceedings before OHIM, where the earlier mark is a validly registered CTM: Case T109-11 *Apollo Tyres AG –v- OHIM* (23 April 2013, unreported) at paragraph 80. This principle was also referred to by Daniel Alexander QC, sitting as the Appointed Person in his recent decision in *LRC Products Limited v Sandra Elliott (LUV/LOVE)*, 2 May 2013 (BL O-214-13), when discussing an earlier CTM relied on to oppose a UK trade mark application. Similarly, I cannot see any reason why it should not be applied where the earlier mark(s) and the trade mark application in question are both national trade marks, as in this case.
19. As indicated by Daniel Alexander in *LUV/LOVE*, the decision in *Formula One* does not give rise to a presumption that the earlier mark in opposition proceedings is of ‘average’ or ‘normal’ distinctiveness. It simply recognises the necessity to acknowledge a “*certain*” degree of distinctiveness which, depending on the circumstances, will be the same as or greater than the distinctiveness threshold for registrability, i.e. to the exclusion of marks ‘devoid of any distinctive character’ but including those with ‘weak’ or ‘low’ distinctiveness.
20. In light of the above, I do not believe that the hearing officer treated the opponent’s mark as having no distinctive character. All he did was to consider the degree of inherent distinctiveness possessed by the opponent’s mark, as it was appropriate for him to do.
21. As far as the alleged ‘global approach’ to the goods is concerned, Mr Malynicz argued that it is not normally a function of the goods in the specification for the earlier mark to “collect colours”, save perhaps for “dye attractors”, and therefore the mark should not have been found to be descriptive or to have “*a very low level of distinctiveness*” across the board. As discussed above, the hearing officer did not go so far as to say that the opponent’s mark was descriptive of the goods concerned to the point of being unregistrable. Further, while it is not the case that the mark is descriptive of a number of the goods in the specification, the hearing officer’s main conclusion which he factored into his overall assessment of similarity was that it had a very low level of distinctiveness. That is a separate finding that is not dependent on the mark being descriptive and therefore it would not have assisted the opponent

if he had assessed the precise degree of descriptiveness in relation to each of the different goods.

Assessment of the Mark

22. With regard to the finding that the Mark contains a “*very descriptive*” element (i.e. “Colour & Dirt Collector”), it is debatable whether the hearing officer’s assessment of descriptiveness of the component “Colour & Dirt Collector” is accurate in respect of all of the goods applied for. For example, it is difficult to see how a disinfectant could be said to be a “colour collector”, though “dirt collector” would be descriptive in relation to its functions. However, there is no doubt that “Colour & Dirt Collector”, without any stylisation, would be perceived by the average consumer as suggestive or allusive of the functions of any of the goods in the specification. So the question is then whether the particular font or blue colour used would change that perception. In an ideal world, the hearing officer would have mentioned this point specifically. However, I do not see this omission as an error. The font used is not particularly unusual, and the blue colour simply matches the colour of the Mark as a whole. I do not agree that the hearing officer considered the “Colour & Dirt Collector” element “in a vacuum”, as alleged. It is clear from his approach in paragraph 26 that he considered it in the context of the Mark as a whole.

Ground (2) – Alleged Exclusion of the *Medion* Principle

23. By way of background, the CJEU in *Medion* held that, where the goods or services are identical, there may be a likelihood of confusion on the part of the public where the contested sign is composed by juxtaposing the company name of another party and a registered mark which has normal distinctiveness and which, without alone determining the overall impression conveyed by the composite sign, still has an independent distinctive role therein. In that case, the earlier mark was LIFE and the opposed mark was THOMSON LIFE. The Court held (at [13]) that “*the normal distinctive character attaching to the element ‘LIFE’ is not sufficient to prevent the name of the manufacturer ‘THOMSON’ from contributing to the overall impression conveyed by the sign [THOMSON LIFE]*”.
24. As noted by Mr Malynicz, the General Court subsequently adopted the *Medion* approach also in relation to cases where the earlier mark was not reproduced identically in the later mark (see Joined Cases T-5/08 to T-7/08 *Société des Produits Nestlé SA –v- OHIM* ECR 2010 II-01177; Case T-376/09 *Glenton España –v- OHIM* ECR 2011 II-00141). Both of those cases concerned device marks, whereby the earlier marks were exclusively figurative and the later marks contained figurative elements similar to the earlier marks as well as word elements.

25. The opponent contends that the hearing officer failed to appreciate that the *Medion* principle applies not only to later composite marks that incorporate the earlier mark exactly, but also to cases where the element that is taken is not identical but similar.
26. Further, Mr Malinycz argued that the hearing officer's finding on *Medion* had been "contaminated" by the fact that he had found that the opponent's mark (in Mr Malynicz words) "completely lacked distinctive character". He contended that, had the hearing officer considered the alleged average distinctive character of the opponent's mark, he would not have failed to notice that it retained an independent distinctive role in the Mark.
27. As stated above, the hearing officer did not find that the opponent's mark completely lacked distinctive character. He accepted that the opponent's mark has sufficient inherent distinctiveness to be registered, but considered this distinctiveness to be low. This is a finding he was entitled to make and, as discussed above, there is no presumption of average distinctiveness of an earlier mark on the basis of *Formula One*. Thus, the "contamination" argument does not get off the ground.
28. The hearing officer expressly set out the extracts and arguments raised by the opponent on *Medion* (at paragraphs 22-23 of the Decision); and, in considering whether "Colour & Dirt Collector" had an "independent distinctive role" in the Mark, he was clearly taking account of it, notwithstanding the fact that the element concerned was only similar and not identical to the opponent's earlier mark. The problem for the opponent is simply that he was not convinced that it did have such a role in the context of the Mark as a whole and in the light of the goods applied for.
29. Had I been deciding the case, I think that I probably would have found that the "Colour & Dirt Collector" element did have an "independent distinctive role" in the Mark. And I would not have stated so emphatically that the "*marks are completely different, visually, aurally and conceptually*", given the presence of the "COLOUR ... COLLECTOR" element in both. However, I do not believe that the hearing officer made any material error in his approach. He applied the correct tests and set out his reasoning. Further, even if he had found the "Colour & Dirt Collector" element to have an "independent distinctive role" in the Mark, it does not follow that the outcome would have been different. He could still have concluded, on a global assessment, that there was no likelihood of confusion. Indeed, that is my own conclusion, despite my different application of *Medion*.
30. The hearing officer's overall assessment is captured in his final conclusion at paragraph 27, i.e. that the marks are "*so different*" when considered globally that, even in the case of identity between the parties' respective goods, there is no likelihood of confusion. In other words, the extent of dissimilarity between the marks (irrespective of whether it is in fact complete) is such that it does not warrant

the finding of a likelihood of confusion. I agree with that result and I have not found any error in his approach.

Conclusion

31. I dismiss the appeal and direct that the Mark should be permitted to proceed to registration.
32. Since I have upheld the first instance decision, the applicant is entitled to receive the award of costs made by the hearing officer in the sum of £1,300. Bearing in mind the nature of the appeal, the steps taken and the representation at the hearing, I order the opponent to pay the applicant an additional sum of £1,000 as a contribution towards the costs of this appeal. The total sum of £2,300 is to be paid within 14 days of the date of notification of this decision.

ANNA CARBONI

The Appointed Person

17 June 2013

The appellant/opponent (Punch Industries) was represented by Counsel, Simon Malynicz, instructed by FR Kelly.

The respondent/applicant (delta pronature Dr. Krauss & Dr. Beckmann KG) was represented by Bruce Marsh of Wilson Gunn.