

O-472-15

TRADE MARKS ACT 1994

TRADE MARK APPLICATION No. 3067645

IN THE NAME OF BRITISH AMERICAN TOBACCO (BRANDS) LIMITED

AND

OPPOSITION No. 403288

BY PHILIP MORRIS PRODUCTS S.A.

Background and pleadings

1. This is an opposition by Philip Morris Products S.A. (“the opponent”) to an application by British American Tobacco (Brands) Limited (“the applicant”) to register the figurative trade mark shown below.



2. The application to register the trade mark was filed on 8th August 2014.

3. The trade mark is proposed to be registered for the following goods:

Class 9

Electric and electronic components.

Class 11

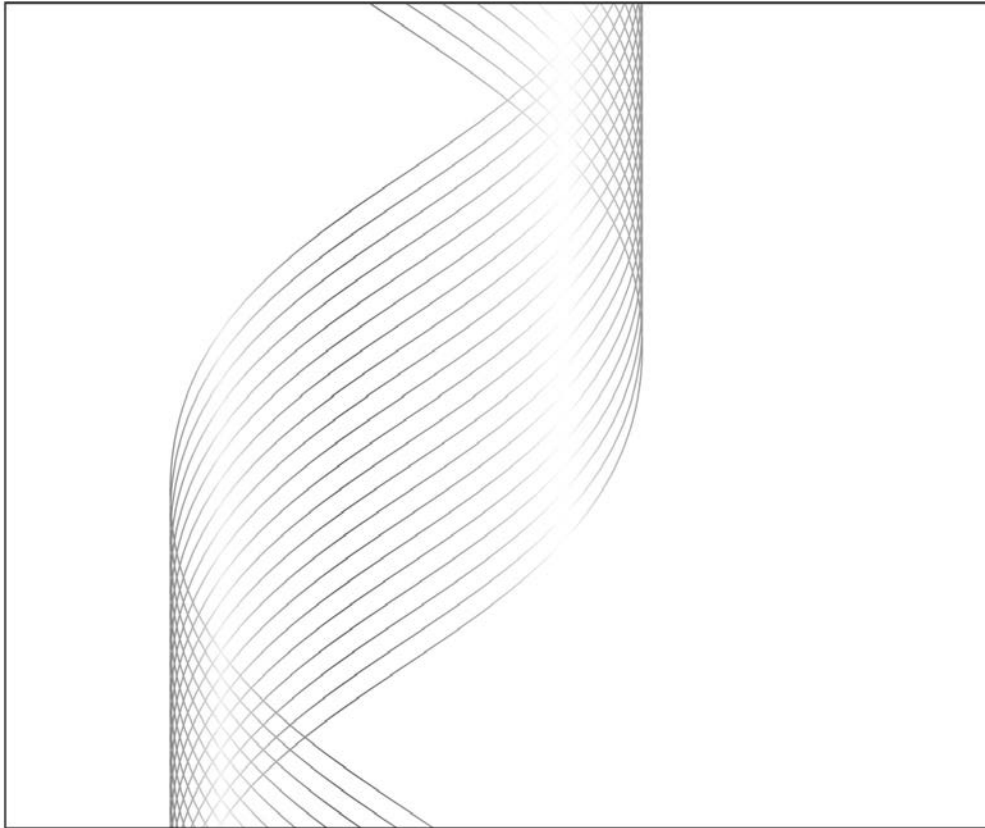
Apparatus for heating, steam generating and for use in vaporising.

Class 34

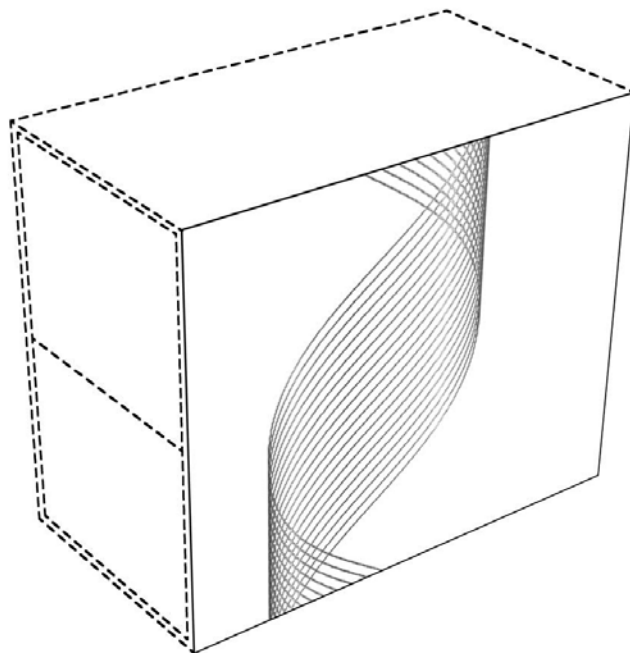
Cigarettes; tobacco; tobacco products; lighters; matches; smokers' articles.

4. The opponent relies on a single ground of opposition under section 5(4)(b) of the Trade Marks Act 1994: that the opponent is the proprietor of an earlier right in Community registered designs Nos. 2490516-0001, 0002, 0003 & 0004. It is sufficient to identify the two closest designs to the trade mark. These are designs 2490516-0002 and 0003, which look like this:

Community design 2490516-0002



Community design 2490516-003



5. The designs are for the ornamentation on packaging. No colour is indicated.
6. The designs were applied for on 25th June 2014 and registered and published on 27th June 2014 (i.e. 11 days before the opposed trade mark application was filed).
7. The opponent claims that the opposed trade mark would create the same overall impression on an informed user as the registered designs. In this connection, the opponent pointed out that all of the signs in issue consist of stylised elongated helix devices. The opponent therefore claims that it has the legal right under Community design law to prevent use of the trade mark anywhere in the EU. Consequently, registration of the trade mark should be refused.
8. The applicant filed a counterstatement on 29th January 2015 admitting that the opponent is the proprietor of the Community designs listed in the notice of opposition. However, it denies the ground of opposition, essentially on the basis that the trade mark would not make the same overall impression on an informed user as the registered designs.

Representation

9. The applicant is represented by Bristows LLP. The opponent is represented by Bird & Bird LLP.

Request for suspension of these proceedings

10. The opponent proceeded to file evidence on 7th April 2015 to which the applicant responded on 8th June with written submissions and evidence. On 8th July the opponent waived its right to file evidence in reply. The written stages of the procedure were therefore complete.
11. On 30th July, the applicant advised that it had the previous day filed applications at OHIM to cancel the four registered Community designs relied on by the opponent. The applicant requested that the opposition proceedings be suspended to await the outcome of the cancellation proceedings at OHIM.
12. At my request, the Hearing's Clerk wrote to the parties on 18th August in these terms.

“The Hearing Officer considers the request to stay the UK proceedings to have been made too late. The evidence is all in and the OHIM proceedings are just starting. The Registrar will therefore decide the opposition on the evidence that has been filed and, if the decision is that the application will be refused, he will issue a provisional decision. The applicant may at that stage

make a further application for a stay before the decision is elevated to a final decision.

If the outcome is that the UK opposition should be refused, a final decision will be issued. This is because, in these circumstances, the outcome of the UK proceedings is not dependant on the outcome of the OHIM proceedings.

If either part disagrees with this approach, they may ask for a CMC by 25 August and one will be held at 16.00 on 1 September by telecon'.

A substantive hearing will take place at 9.30am on 7 October with the parties in London and the Hearing Officer joining by Videocon' from Newport. If the parties decide they no longer wish to have a hearing, they should state so by 1st September, in which case the hearing will be vacated and a decision made on the papers."

13. The opponent subsequently requested a Case Management Conference ("CMC") and this took place by teleconference on 1st September. However, rather oddly, at the CMC the opponent did not object to the proposed procedural course. Rather, its purpose in requesting a CMC seems to have been to complain that it had not been served, or seen a copy of, the cancellation applications filed at OHIM. The applicant readily agreed to provide copies.

14. As neither side objected to the procedural course proposed in the Registrar's letter of 18th August, that provisional procedural decision became final.

15. The parties subsequently indicated that they did not wish to be heard on the merits of the opposition. They were given until 5th October to file written arguments in lieu of a hearing, if they so wished. I subsequently received further written submissions from the applicant.

The evidence

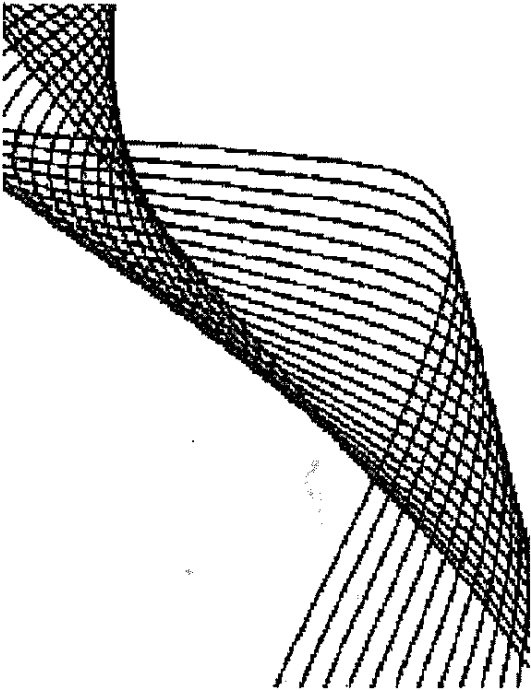
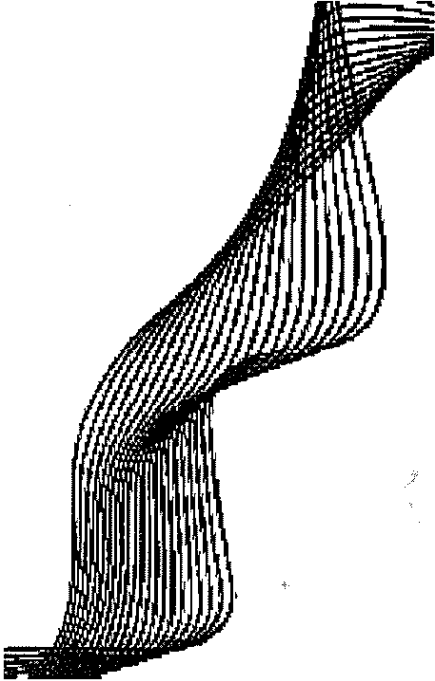
16. The opponent's evidence takes the form of a witness statement by Jan Vidjeskog. Mr Vidjeskog is Senior Counsel at Philip Morris International Products S.A., which is an affiliate of the opponent.

17. Mr Vidjeskog says that the opponent and related companies have for many years been engaged in the manufacture, sale and distribution of tobacco products. On 26th June 2014, the opponent announced details of a new line of e-cigarettes which it calls the IQOS line. Mr Vidjeskog exhibits the press release and various documents relating to it¹. According to Mr Vidjeskog, these documents show the opponent's intention to market the product in blue and white packaging with a helix device.

¹ As exhibits JV-1 and JV-2

18. Examples of blue and white packaging are clear enough. I have had more difficulty spotting any helix designs in these exhibits. It is possible that a helix design is present on the packaging of a container shown at the bottom of the first of three pages from a blog on the website of the Wall Street Journal, but if it is a helix design, it does not look much like the registered Community designs to my eye. However, I do not think that anything turns on this. This is because the opponent does not have to show use of its Community registered designs in order to rely on them in these opposition proceedings.

19. The applicant's evidence consists of a brief witness statement from David Kemp, who is a trade mark attorney at Bristows. Mr Kemp sets out the result of a search he conducted of the register of Community designs. He attaches the results, which show a number of helix type designs that were registered and published in 2012. It is sufficient to show the following two designs, which the applicant appears to consider are the closest to the opponent's designs.

Community design 2099583-16	Community design 2099583-23
	

Decision

The law

20. Section 5(4) is as follows:

- (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-
- (a) rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or
 - (b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark.

21. The Community Designs Regulation 6/2002 has direct effect in the UK. The relevant articles of this Regulation are as follows:

Article 3 Definitions

For the purposes of this Regulation:

- (a) "design" means the appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation;
- (b) "product" means any industrial or handicraft item, including inter alia parts intended to be assembled into a complex product, packaging, get-up, graphic symbols and typographic typefaces, but excluding computer programs;
- (c) - .

Article 10 Scope of protection

1. The scope of the protection conferred by a Community design shall include any design which does not produce on the informed user a different overall impression.

2. In assessing the scope of protection, the degree of freedom of the designer in developing his design shall be taken into consideration.

Article 19 Rights conferred by the Community design

1. A registered Community design shall confer on its holder the exclusive right to use it and to prevent any third party not having his consent from using it. The aforementioned use shall cover, in particular, the making, offering, putting on the market, importing, exporting or using of a product in which the design

is incorporated or to which it is applied, or stocking such a product for those purposes.

22. There is no dispute that the above provisions mean that using the trade mark on, or in relation to, the goods and services specified in paragraph 3 above is potentially capable of infringing the Community designs.

23. The relevant case law was conveniently set out by Birss J. in paragraphs 31 to 59 of his judgment in *Samsung v Apple*². The most relevant parts are re-produced below.

“The informed user

33. The designs are assessed from the perspective of the informed user. The identity and attributes of the informed user have been discussed by the *Court of Justice of the European Union in PepsiCo v Grupo Promer (C-281/10P) [2012] FSR 5* at paragraphs 53 to 59 and also in *Grupo Promer v OHIM [2010] ECDR 7*, (in the General Court from which PepsiCo was an appeal) and in *Shenzhen Taiden v OHIM*, case T-153/08, 22 June 2010.

34. Samsung submitted that the following summary characterises the informed user. I accept it and have added cross-references to the cases mentioned:

i) He (or she) is a user of the product in which the design is intended to be incorporated, not a designer, technical expert, manufacturer or seller (*PepsiCo* paragraph 54 referring to *Grupo Promer* paragraph 62; *Shenzen* paragraph 46).

ii) However, unlike the average consumer of trade mark law, he is particularly observant (*PepsiCo* paragraph 53);

iii) He has knowledge of the design corpus and of the design features normally included in the designs existing in the sector concerned (*PepsiCo* paragraph 59 and also paragraph 54 referring to *Grupo Promer* paragraph 62);

iv) He is interested in the products concerned and shows a relatively high degree of attention when he uses them (*PepsiCo* paragraph 59);

v) He conducts a direct comparison of the designs in issue unless there are specific circumstances or the devices have certain characteristics which make it impractical or uncommon to do so (*PepsiCo* paragraph 55).

² [2012] EWHC 1882 (Pat)

35. I would add that the informed user neither (a) merely perceives the designs as a whole and does not analyse details, nor (b) observes in detail minimal differences which may exist (*PepsiCo* paragraph 59).

Design freedom

40. In *Grupo Promer* the General Court addressed design freedom in paragraphs 67-70. In *Dyson* Arnold J. summarised that passage from *Grupo Promer* as follows:

“design freedom may be constrained by (i) the technical function of the product or an element thereof, (ii) the need to incorporate features common to such products and/or (iii) economic considerations (e. g. the need for the item to be inexpensive).”

Effect of differences between the registered design and the design corpus

51. Apple drew my attention to paragraph 74 of the judgment of the General Court in *Grupo Promer* in which the Court agreed with the ruling of the Board of Appeal that:

“as regards the assessment of the overall impression produced by the designs at issue on the informed user, the latter will automatically disregard elements ‘that are totally banal and common to all examples of the type of product in issue’ and will concentrate on features ‘that are arbitrary or different from the norm’.”

52. Apple submitted that this showed that a design feature need not be unique to be relevant. It is only disregarded if it is totally banal. Thus, Apple submitted, for a feature to be relevant it merely needs to differ from the norm and by logical extension, the greater the difference from the norm, the more weight to be attached to it. The point of this submission is to challenge the manner in which Apple contended Samsung was advancing its case. I do not think Apple's characterisation of Samsung's case was entirely accurate, but in any case I accept Apple's submission on the law at least as follows. The degree to which a feature is common in the design corpus is a relevant consideration. At one extreme will be a unique feature not in the prior art at all, at the other extreme will be a banal feature found in every example of the type. In between there will be features which are fairly common but not ubiquitous or quite rare but not unheard of. These considerations go to the weight to be attached to the feature, always bearing in mind that the issue is all about what the items look like and that the appearance of features falling within a given descriptive phrase may well vary.

The correct approach, overall

57. The point of design protection must be to reward and encourage good product design by protecting the skill, creativity and labour of product designers. This effort is different from the work of artists. The difference between a work of art and a work of design is that design is concerned with

both form and function. However design law is not seeking to reward advances in function. That is the sphere of patents. Function imposes constraints on a designer's freedom which do not apply to an artist. Things which look the same because they do the same thing are not examples of infringement of design right.

58. How similar does the alleged infringement have to be to infringe? Community design rights are not simply concerned with anti-counterfeiting. One could imagine a design registration system which was intended only to allow for protection against counterfeits. In that system only identical or nearly identical products would infringe. The test of "different overall impression" is clearly wider than that. The scope of protection of a Community registered design clearly can include products which can be distinguished to some degree from the registration. On the other hand the fact that the informed user is particularly observant and the fact that designs will often be considered side by side are both clearly intended to narrow the scope of design protection. Although no doubt minute scrutiny by the informed user is not the right approach, attention to detail matters."

The informed user

24. The opponent's designs are not limited to any particular type of product. On the other hand, it is clear from the opponent's evidence and arguments that its designs are going to be applied to the packaging of e-cigarettes and/or electronic smoking devices.

25. The applicant has applied to register its mark in relation to smoking goods in class 34, apparatus for vaporising etc. in class 11, and electrical components in class 9. It is not clear what the latter covers, if not electrical components for the goods in classes 11 and 34. Common sense therefore indicates that the relevant informed user for the purposes of these proceedings is a user of cigarettes, e-cigarettes and/or electronic smoking devices and of parts for such goods.

26. The applicant argues that such an informed user would display a high level of attention because of his or her personal interest in the nature of the products. I accept that. According to the applicant, it follows that the relevant user would not perceive the designs as wholes, but would analyse their details, "*observing even detailed minimal differences between the contested designs*". This latter submission is contrary to the approach advocated by Birss J. in paragraph 35 of his judgment in *Samsung v Apple* (see above). I reject it. The correct approach is that set out by the judge in his judgment.

Design freedom

27. The applicant argues that there are only so many ways to depict smoke or vapour emanating from a cigarette or e-cigarette, the use of a helix design being one. The freedom of the designer to depict smoke/vapour is therefore quite limited.

28. I reject this submission. The designer has a wide degree of freedom to depict smoke/vapour of which a helix design is only one. There are also a large number of different helix designs equally capable of depicting smoke or vapour. I therefore find there is a wide degree of freedom for the designer.

Design corpus

29. The applicant's evidence is not sufficient to establish its claim that the use of helix designs was very common in the cigarette sector at the date of the applications to register the Community designs, or at the slightly later date of the trade mark application. However, it is sufficient to establish that the opponent's helix design is not a startling departure from the prior art as a whole. The difference between the impressions created by the opponent's registered designs and, in particular, registered Community design 2099283-16, seems quite modest.

Colour in designs

30. The opponent appears to rely on its intention to use the colour blue on the packaging of products on which its registered designs will also appear. The suggestion appears to be that this will increase the likelihood of the applicant's trade mark creating the same overall impression as the opponent's registered designs because the applicant's trade mark includes a blue wavy line.

31. In *Procter & Gamble Co v Reckitt Benckiser (UK) Ltd*³, Lewinson J. (as he then was) considered a similar submission to the effect that the similar colours used by the claimant and defendant for the air fresheners should be taken into account in assessing whether the defendant's product infringed the claimant's registered design. Colour formed no part of the registered design. The judge stated that:

"48. ... The registration must, in my judgment, be the yardstick by which infringement is to be judged. The registration holder is entitled to choose the level of generality at which his design is to be considered. If he chooses too general a level, his design may be invalidated by prior art. If he chooses too specific a level he may not be protected against similar designs. But in my judgment to allow features that are not the subject-matter of the registration to play a part in the assessment of the overall impression would unduly restrict the scope of protection. This conclusion is, to some extent, supported by

³ [2006] EWHC 3145 (Ch)

Russell-Clarke & Howe on *Industrial Designs* (7th ed) para 2-20 in which the editor/author says:

“Under the new EC harmonised law, there seems no reason why the design of the chair back cannot be registered by itself. In practice, this would be achieved by filing a representation which portrays only the chair back and does not portray the rest of the chair. This would mean that when it came to infringement, only the back of the defendant's chair would be compared with the registration and it would be irrelevant how different or similar, for example, the legs of the defendant's chair are to the design of the proprietor's own products on the market.”

49. There is nothing in the registered Community design in the present case that limits the colours. It seems to me therefore, that if one does not eliminate colour from the alleged infringement, the practical effect of not claiming a colour would be to limit the scope of protection to the colour white. But that would defeat the purpose of not claiming a colour (or it might lead applications for registration of a particularly distinctive shape to claim all conceivable colours).”


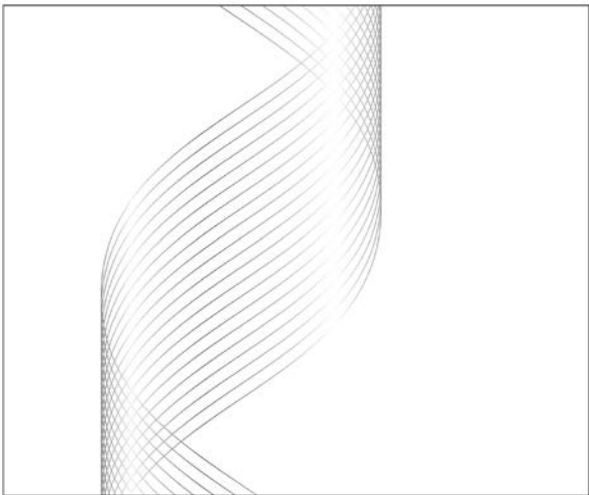
32. The record of the subsequent appeal to the Court of Appeal⁴ shows that the claimant subsequently abandoned the point, apparently under some pressure from the court. I am aware that the significance of a contrast of colour shown in computer generated drawings used to represent a design was considered again by the Court of Appeal in *Magmatic Ltd v PMS International Ltd*⁵. However, I see nothing in the later judgment of the court which affects the finding in *Procter & Gamble* that particular colours should play no part in a comparison of designs registered in monochrome. Consequently, I find that the opponent's proposed use of the colour blue on the packaging of its products is irrelevant.

⁴ [2007] EWCA Civ 936 at paragraph 40

⁵ [2014] EWCA Civ 181

Comparison of the designs

33. I will start by comparing the trade mark with Community design 2490516-0002.

Trade mark	Community design
	

34. The trade mark is similar to the design in that it contains a series of wavy lines forming a left hand helix. They both use cross hatching to depict the points at which the curve crosses over itself. This helps to create a three dimensional impression. However, the helixes also have quite evident differences. The most obvious one is that the helix in the trade mark is much narrower and more elongated than the helix in the design. Further, the helix in the trade mark appears to be above a blue wave curving in the opposite direction, which has no counterpart in the design. Somewhat less noticeable, but nevertheless contributing to the overall impression created by the trade mark, the top and bottom of the mark are 'soft', appearing to fade into the background, whereas the top and bottom of the design are sharp, ending abruptly.

35. In my judgment, an informed user of cigarettes, e-cigarettes and/or electronic smoking devices, and parts for such goods, would notice the similarities and the differences described above. Even taking into account the wide freedom of design available to designers in this field, the differences are sufficient for the trade mark to create a different overall impression on such a user compared to the impression created by the registered design.

36. It follows that use of the trade mark would not be contrary to the Community Design Regulation. The opposition based on Community design 2490516-0002 therefore fails.

37. Community design 2490516-0003 is essentially the same design as Community design 2490516-0002, except that it is shown on the packaging on which it will appear. My reasons for rejecting the opposition based on Community design 2490516-0002 apply equally to this design.

38. Community designs 2490516-0001 and 2490516-0004 are slightly less similar to the trade mark than the designs I have already considered and rejected. It follows that the opposition based on these designs also fails.

Outcome

39. The opposition fails. This means that the outcome of this opposition does not depend on the outcome of the cancellation proceedings at OHIM. This is therefore a final decision. Subject to appeal, the trade mark will be registered.

Costs

40. The opposition has failed and the applicant is therefore entitled to a contribution towards its costs. I consider that an award of £1075 is appropriate. This is made up of:

£350 for considering the notice of opposition and filing a counterstatement
£400 for filing evidence and considering the opponent's evidence
£75 for taking part in a CMC requested by the opponent
£250 for filing written submissions⁶

41. I order Philip Morris Products S.A. to pay British American Tobacco (Brands) Limited the sum of £1075 within 14 days of the end of the period allowed for appeal or, if there is an appeal, within 14 days of the conclusion of those proceedings.

Dated this 7th day of October 2015

**Allan James
For the Registrar**

⁶ The applicant's final written submissions largely re-iterated those filed with its evidence. I have only included one award of costs for these duplicative submissions.

