

TRADE MARKS ACT 1994

**IN THE MATTER OF
INTERNATIONAL REGISTRATION NO. 1304281
DESIGNATING THE UK FOR THE MARK:**

PIC NIC

**IN THE NAME OF
ROOFOODS INTERNATIONAL
FOR GOODS IN CLASS 30**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 408847 BY
CADBURY UK LIMITED**

BACKGROUND AND PLEADINGS

1) International Registration No. 1304281 was registered with designation of the UK on 10 March 2016 by ROOFOODS INTERNATIONAL (“the Applicant”) for the following mark (“the opposed mark”)

PIC NIC

The opposed mark was designated for goods in Class 30, and the specification now stands as follows¹:

Cookies, waffles, cupcakes and biscuits (other than chocolate confectionery and chocolate coated confectionery).

The opposed mark was published in the Trade Marks Journal on 20 January 2017.

2) The application is opposed by Cadbury UK Limited (“the Opponent”) under sections 5(2)(a), 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”), for the purposes of which it relies upon UK trade mark registration no. 1035984, which was applied for on 30 September 1974 and completed its registration process on 30 September 1974, for the following mark and goods in Class 30:

PICNIC

Non-medicated chocolate confectionery.

3) The significance of the above dates is that (1) the Opponent’s mark (“the earlier mark”) constitutes an earlier mark in accordance with section 6 of the Act, and (2) it is subject to the proof of use conditions contained in section 6A of the Act, its registration procedure having been completed before the start of the period of 5 years ending with

¹ The specification was originally for “*cookies, waffles, cupcakes and biscuits*” but, as noted in paragraph 28 below, during the course of these proceedings the Applicant decided to limit the specification by addition of the words “*(other than chocolate confectionery and chocolate coated confectionery)*”, this restricted specification having been confirmed by WIPO.

the date of publication of the contested designation. The Applicant has required the Opponent to furnish proof of genuine use during this period (“the relevant period”).

4) The Opponent claims under sections 5(2)(a) and 5(2)(b) of the Act that the mark applied for is identical or similar to the earlier mark and that the goods of the competing marks are identical or similar, so that there is a likelihood of confusion. It also claims under section 5(3): that the earlier mark has a reputation; that the similarity between the earlier mark and the opposed mark is such that the relevant public will believe that they are used by the same or related undertakings; that the opposed mark will give the Applicant an unfair advantage in being able to “free ride” on the investment in promotion and advertising undertaken by the Opponent; that if goods supplied under the opposed mark are of poor quality they will tarnish the earlier mark’s reputation should consumers believe there is an association between the proprietors of the marks; and that use of the opposed mark will lead to dilution, i.e. undermining, weakening, blurring and eroding of the distinctive character of the earlier mark. In its counterstatement the Applicant denies the grounds of opposition.

5) The Applicant is represented in these proceedings by Bureau De Ryker. The Opponent is represented by Wilson Gunn. The Applicant filed written submissions in response to the evidence filed by the Opponent. Neither side requested a hearing. The Opponent filed written submissions in lieu of attendance at a hearing. I therefore give this decision after a careful review of all the papers before me.

The Evidence

The Opponent’s evidence

6) In a witness statement of 28 November 2018 Ms Claire Low states that she is employed by Mondelez Europe Services GmbH, a subsidiary of Mondelez International Inc., the Opponent and Mondelez Europe Services GmbH both being part of the Mondelez International Inc. group of companies. She states that at all material times she has worked in the Opponent’s business, being the Associate Marketing Director for UK and Ireland chocolate at Mondelez Europe Services GmbH, a position she has held since 2011, her key responsibilities being the management of the

Opponent's chocolate countlines, which include PICNIC branded chocolate confectionery.

7) Ms Low states that the trade mark PICNIC was first adopted and used in the United Kingdom in 1958 for a chocolate bar consisting of milk chocolate and peanuts, covering chewy nougat, caramel, biscuit, raisins and puffed rice. She appends as **Exhibit CL-01** copies of extracts taken from a variety of online sources detailing the launch date of Cadbury's PICNIC chocolate bar. She also appends as **Exhibit CL-02** documents "showing the evolution of the PICNIC packaging since 1961".

8) Ms Low states that, in addition to the PICNIC chocolate bar, which is sold individually, in packs of four and in bags of bite-size bars, during Easter the Opponent produces chocolate eggs each containing two PICNIC chocolate bars. She appends **Exhibit CL-03** to show copies of the current packaging for these different formats. She also sets out the following table showing the annual sales figures for PICNIC chocolate bars in the UK for the years 2012-2017:

Year	Units	Sales Value (£ Sterling)
2012	17,340,888	13,264,868
2013	17,620,335	13,601,318
2014	17,382,098	13,993,354
2015	16,451,906	12,550,590
2016	17,888,589	14,295,777
2017	17,146,662	13,902,112

9) She appends as **Exhibit CL-04** sample invoices for each of the years 2011-2016 inclusive to show that the PICNIC chocolate bar is sold extensively through the UK via a number of major nationwide retailers, including (but not limited to) ASDA, Sainsbury's, Tesco, Co-op and Morrisons. Ms Low concludes that the PICNIC trade mark is highly visible to consumers throughout the UK, the Opponent's PICNIC chocolate bar having been "a staple of the UK confectionery landscape since 1958".

The Applicant's submissions

10) The Applicant's counterstatement contained what amount to submissions, and it also filed further written submissions during the evidence rounds. These are not

summarised here, but I shall refer to them as appropriate in the course of my assessment.

Proof of use

11) In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use as follows:

“114.....The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale

and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

12) Under section 6A(4)(a) of the Act 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 is registered. In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was) as the Appointed Person summarised the test under s.46(2) of the Act (which corresponds to the test under section 6A(4)(a)) as follows:

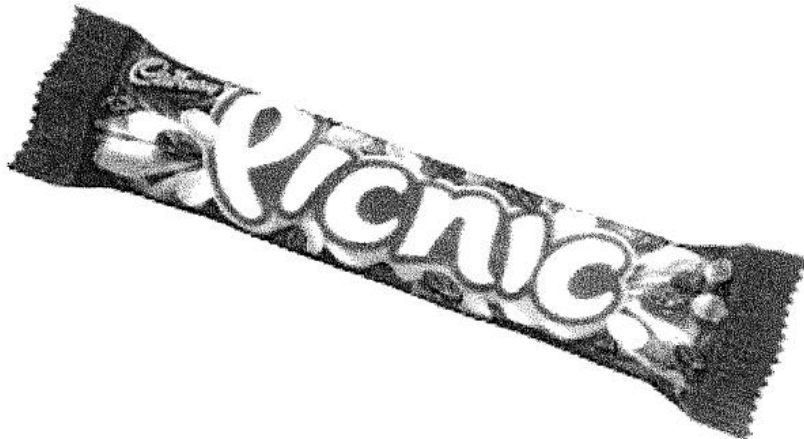
"33. The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-

questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

13) The evidence does not show at what point the version of the packaging used on the PICNIC chocolate bars in 2010 was replaced by the current version, but I could in any case see no significant difference between them. For the sake of completeness both versions, as given **Exhibit CL-02**, are reproduced below:

2010



CURRENT



14) In the Opponent's evidence the images are reproduced, as above, in monochrome. The actual packaging will, of course, use colours, as is invariably the case with confectionary products; but, as will become apparent, the particular colours

used are in any case not a significant issue in this case. The word “Picnic” takes up almost the entire upper surface of the wrapping. It stands out in white, mildly stylised letters. The stylisation is not sufficient to alter the distinctive character of the mark². Nor does the use of upper and lower case play a role. The word is shown against what will obviously be a coloured background and surrounded by images clearly intended to represent the ingredients of the bar apparently bursting outwards from the word. The images are thus descriptive of the contents of the bar, and the purpose of these elements is clearly to serve as a colourful and eye-catching background against which the word “Picnic” can be conspicuously projected, rather than to indicate origin. They will be seen as such by the consumer, for whom the distinctive weight will lie in the word itself: PICNIC.

15) The word “Cadbury” in cursive script (which will be seen by the UK consumer as the name of the manufacturer) appears in the top left-hand side of the wrapper, but it occupies a very much smaller and rather inconspicuous place in comparison with the overwhelmingly prominent word “Picnic”. In its written submissions of 25 January 2019 the Applicant observes:

“Upon examining the specimens of use filed in attachment to the opponent’s Witness Statement, we ascertained that they all concern the commercialization of “milk chocolate bars, mostly flavoured with caramel, peanuts and raisins” and that on the packaging the mark is always referred to as “CADBURY’S PICNIC” and not as “PICNIC”, i.e. not in the way that is has been registered.

We leave it at your discretion to decide whether this is to be considered as “normal” trademark use in accordance with the Trade Marks Act 1994 or not, but it is clear that through the years the public is used to see the trademark only in combination with “CADBURY’S” and not isolated therefrom.

Therefore, we see no reason why there would be a risk of confusion in the mind of an average consumer when confronted with the holder’s trademark.”

² Compare this, for example, with the mark considered by Mr Philip Johnson, sitting as the Appointed Person at paragraphs 11-14 his decision in *Dreamersclub Ltd v KTS Group Ltd*, BL O/091/19, and the case law cited there.

16) In *Cristal Castellblanch v OHIM*, Case T-29/04, in addition to the earlier mark CRISTAL the denomination LOUIS ROEDERER had been used several times, as well as a symbol including the letters L and R and some complementary figurative elements, on the main labels and necks of wine bottles. The court held:

“33 In the contested decision the Board of Appeal found that there is no precept in the Community trade mark system that obliges the opponent to prove the use of his earlier mark on its own, independently of any other mark. According to the Board of Appeal, the case could arise where two or more trade marks are used jointly and autonomously, with or without the name of the manufacturer’s company, as is the case particularly in the context of the automobile and wine industries.

34 That approach must be followed. The situation is not that the intervener’s mark is used under a form different to the one under which it was registered, but that several signs are used simultaneously without altering the distinctive character of the registered sign. As OHIM rightly pointed out, in the context of the labelling of wine products joint affixing of separate marks or indications on the same product, in particular the name of the winery and the name of the product, is a common commercial practice.”

17) Just as in the wine sector, it is common practice for confectionery products to bear the name of the manufacturer in addition to the brand used for the product line. As *Cristal Castellblanch v OHIM* shows, this need not alter the distinctive character of the registered sign. In the present case the word “Cadbury” in cursive script appears in the top left-hand side of the wrapper; but it occupies a very much smaller and rather inconspicuous place in comparison with the highly prominent word “Picnic”. Some consumers will notice the Cadbury mark; some will not. I think it unlikely, however, that the average consumer would notice if the Cadbury sign were omitted from the packaging of a picnic chocolate bar, as shown above; and even if such omission were noticed, consumers would not, in my view, attach any significance to it; they would not think twice about it. It is the word PICNIC itself which will be regarded by the relevant public as serving to distinguish the goods covered from those of other undertakings.

The distinctive character of the mark as registered has not been altered by the presence of the manufacturer's name.

18) Finally, I note that it is the nature of the use of the earlier mark which the Applicant contests, rather than the place, time or extent of that use. This is sensible. The facts and figures provided with Ms Low's witness statement amply demonstrate genuine use of the earlier mark in the UK in connection with the PICNIC chocolate bar during the relevant period.

A fair specification

19) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration³. In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them⁴. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Geoffrey Hobbs Q.C., sitting as the Appointed Person, summed up the applicable law as follows:

“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

³ See *Maier v Asos Plc* [2015] EWCA Civ 220 at paragraphs 56 and 60.

⁴ See *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46.

the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned”

20) I have found that there has been genuine use of the earlier mark in connection with the well-known PICNIC chocolate bar. In my view, however, limiting the specification to, for example, “composite chocolate bars” would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those items, and which are not in substance different from them. I consider that the terminology of the Opponent’s specification as it stands accords with the perceptions of the average consumer of the goods concerned. Accordingly, I find *non-medicated chocolate confectionery* to be a fair specification of the goods for which I have found genuine use of the earlier mark.

Sections 5(2)(a) and 5(2)(b)

21) Sections 5(2)(a) and (b) of the Act read as follows:

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

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the trade mark is protected...there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.

22) In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA*, Case C-291/00, the CJEU held (at paragraph 54) that for the purposes of section 5(2)(a) a sign is identical with the trade mark the where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains

differences so insignificant that they may go unnoticed by an average consumer. I think it likely that some consumers will notice the gap between the constituent PIC and NIC elements of the opposed mark, and some will not. In view of this, I think it appropriate to make my assessment under section 5(2)(b), under which similarity of signs may suffice.

23) The following principles are gleaned from the decisions of the Court of Justice of the European Union ("CJEU") in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, 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, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) 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;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of the goods

24) In assessing whether there is a likelihood of confusion I must make my comparison of the goods on the basis of the principles laid down in the case law. In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all

the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

25) The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

26) When it comes to understanding what terms used in specifications mean and cover, the guidance in the case-law is to the effect that “in construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of the trade”⁵ and that I must also bear in mind that

⁵*British Sugar Plc v James Robertson & Sons Limited (Treat)* [1996] R.P.C. 281

words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning⁶.

27) In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05 (“*Meric*”), the General Court stated that:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut fur Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM — Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM — Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42”).

28) The goods to be compared are as follows:

The contested goods	The Opponent’s goods
<p style="text-align: center;">Class 30: <i>Cookies, waffles, cupcakes and biscuits (other than chocolate confectionery and chocolate coated confectionery).</i></p>	<p style="text-align: center;">Class 30: <i>Non-medicated chocolate confectionery</i></p>

Cookies, waffles, cupcakes and biscuits may all contain or be coated with chocolate in such a way as would, in my view, cause them to fall within the ambit of the Opponent’s *non-medicated chocolate confectionery*. During the course of these

⁶ *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267

proceedings, however, the Applicant limited its original specification by the addition of the words appearing in brackets above. I consider the Opponent's explicit exclusion of *chocolate confectionery and chocolate coated confectionery* from its specification is effective to prevent its goods from falling within the ambit of the Opponent's specification; thus, the competing goods cannot be considered identical in accordance with the guidance in *Meric*. It therefore remains to assess them for similarity.

29) *Cookies, waffles, cupcakes and biscuits* all share the same nature, purpose, method of use and users as *non-medicated chocolate confectionery*. They consist of sweet foods bought by the public at large to be eaten as snacks or to serve as a light dessert after a meal. They are thus in competition. It is not uncommon for the same manufacturer to produce such items. It is true that one would not normally look to find, for examples, chocolates in a baker's shop, and there still exist a few specialist "sweet shops" selling "sweets" in the narrow sense rather than sweet pastries and dough products. Nowadays, however, the channels of trade largely overlap. Though freshly baked pastries may be sold at the bakery counter of the supermarket, pre-packaged pastry and dough products will often be found on the same shelves as sweets and chocolate bars, or at least in close proximity. The same is true even of small retail outlets such as corner shops. There is at least a reasonably high degree of similarity between the Opponent's *non-medicated chocolate confectionery* and the Applicant's *cookies, waffles, cupcakes and biscuits (other than chocolate confectionery and chocolate coated confectionery)*.

The average consumer and the purchasing process

30) The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

31) Confectionery products are everyday items and their average consumer will consist of the general public. They are, generally speaking, neither expensive nor infrequent purchases. Their purchase will usually be casual, which will tend to produce a lower level of attention to the selection process and increase the scope for imperfect recollection. The process of selecting confectionery products will nowadays typically be by self-service in a retail outlet, or online, but they may also sometimes, though much less frequently, be bought over the counter. As a result, the visual aspect will be more important, but both visual and aural aspects may have a role to play.

Comparison of the marks

32) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

33) It would be wrong, therefore, to dissect the trade marks artificially, although it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks. The marks to be compared are shown below:

The opposed mark	The earlier mark
PIC NIC	PICNIC

34) The earlier mark, consisting of the single word PICNIC, has no dominant element. Although the opposed mark's constituent syllables are divided by a gap, the word "picnic" is plainly recognisable. (Even if it were not, the balanced, rhyming elements clearly form a whole). The distinctiveness resides in the whole mark.

35) I have already observed that I think it likely that some consumers will notice the gap between the constituent PIC and NIC elements of the opposed mark, and some (especially bearing in mind that the purchase will normally be a casual one) will not. For those who do not notice the gap, the marks will be identical. Those who do notice it will still recognise that the two elements together form the familiar word PICNIC. For them, the marks will have a high degree of visual similarity.

36) The gap between the component syllables PIC and NIC of the opposed mark will not be discernible in oral use. The competing marks will both be pronounced in exactly the same way, the average UK consumer giving both the same phonetic value, and pronouncing them: PICK-NICK. The marks are aurally identical.

37) The UK consumer will immediately recognise the Opponent's PICNIC as a familiar word denoting an informal meal enjoyed outdoors. Neither component of the contested mark constitutes a word in its own right. PIC is clearly not PICK and NIC is clearly not NICK. The insertion of the gap between PIC and NIC, even if noticed, will

not prevent the average UK consumer from easily recognising the familiar constituent elements of the word PICNIC, which will form a conceptual hook accordingly. I consider the competing marks to be conceptually identical.

The distinctiveness of the earlier mark

38) The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark, either on the basis of inherent qualities or because of use made, the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97, the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

39) The word PICNIC is not directly descriptive of the relevant goods and, though it has an obvious allusive quality, applying it to a snack product gives it a memorable

slant. I would therefore in any case have held that it has a reasonable degree of inherent distinctive character. In addition, however, I consider that the evidence provided with Ms Low's witness statement is in itself sufficient to support a finding that the earlier mark has acquired a high degree of distinctiveness through use in the field of chocolate confectionery. It amply supports her statement that "the PICNIC trade mark is highly visible" to the UK consumer and that it is "a staple of the UK confectionery landscape". Moreover, it strongly reflects my own view and experience as a UK consumer that the earlier mark is so well known in the UK in connection with the PICNIC chocolate bar in its various formats that I would have been prepared to take judicial notice of the fact that it has acquired a high degree of distinctiveness through use in the field of chocolate confectionery.

Likelihood of confusion

40) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether a likelihood of confusion exists (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

41) In its written submissions of 25 January 2019 the Applicant observes:

"..... we see no reason why there would be a risk of confusion in the mind of an average consumer when confronted with the holder's trademark.

In this respect we also refer to our Notice of Defence and Counterstatement of 26 September 2018 in which we explained that the holder also owns international trademark No 1039219 "PICNIC" in a graphic presentation which is completely different from that of the opponent's and that both are co-existing for many years without conflict."

42) In its Notice of Defence and Counterstatement the Applicant had pointed out that, following success on its home territory (Benelux), the Applicant registered "the "PIC NIC trademark in special lettering" under international registration No 1039219, filed

on 13 April 2010, claiming priority from its Benelux registration No 873676 (filed on 8 December 2009) and designating, amongst others, the United Kingdom. “As no opposition was filed by third parties, neither by CADBURY UK LIMITED, the trademark was registered in the United Kingdom”. The Applicant emphasises that the goods of international registration No 1039219 are almost completely identical to that of the opposed trade mark, and continues:

“After more than eight years the Opponent now finds that the Applicant’s trademark takes a free ride on the reputation of his trademark, that it is detrimental to its reputation and that there is a risk of confusion (as in his opinion the relevant public will believe that the opposed trademark is used by the same undertaking or a related undertaking).

This is very hard to believe as obviously, if these allegations were true, the Opponent should have reacted much earlier and should have opposed international registration No 1039219 as well or at least should have contacted the Applicant to utter complaints. However, none of that happened.

During our negotiations, we explained to the Opponent that the trademarks have been co-existing for many years without problems due to the fact that they are clearly intended for different goods.”

43) The first point to be made is that, though the Applicant’s figurative mark mentioned above may have existed *on the register* for several years, there is no evidence before the Tribunal that the mark in question has actually coexisted with the earlier mark *on the UK market*⁷. Accordingly, there is no evidence of lack of confusion on the part of the UK consumer, or that the UK consumer has been educated to distinguish the Applicant’s *figurative* mark, let alone the mark applied for, from the earlier mark.

44) Secondly, I understand that the Applicant is inviting me to infer that the Opponent has been aware of the presence of the Applicant’s figurative mark (IR No 1039219) on the UK register and that it has refrained from challenging it because it did not believe

⁷ See Jacob J in *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 and the General Court in *Zero Industry Srl v Office of Harmonisation in the Internal Market* (Trade Marks and Designs)(OHIM), Case T-400/06 and *GfK AG v Office of Harmonisation in the Internal Market* (trade Marks and Designs)(OHIM), Case T-135/04.

that there was a risk of confusion with the earlier mark; and then to draw the further inference that this tends to support the contention that there would be no confusion on the part of the average consumer in the UK.

45) It is not for me to speculate about the absence of challenge by the Opponent to the presence of the Applicant's figurative mark on the register. My task is to determine whether there is a likelihood of confusion between the Applicant's mark in the form in which it is applied for and the Opponent's earlier mark. Even if I were prepared to draw the inferences which the Applicant invites me to draw, however, this would not assist the Applicant in this case. The Applicant has applied for the word mark PIC NIC. In *La Superquimica v EUIPO*, Case T-24/17, the General Court said at paragraph 39:

“Next, it should be noted that a word mark is a mark consisting entirely of letters, words or groups of words, without any specific figurative element. The protection which results from registration of a word mark thus relates to the word mentioned in the application for registration and not the specific figurative or stylistic aspects which that mark might have. As a result, the font in which the word sign might be presented must not be taken into account. It follows that a word mark may be used in any form, in any colour or font type...”⁸

By contrast, the mark comprised in the Applicant's international registration No 1039219 consists of a figurative mark in which the word element PIC NIC is specifically tied to a particular concrete graphical representation. The two cases are not analogous.

46) I have found that there is at least a high degree of visual similarity between the competing marks, and that they are aurally and conceptually identical. I have found that there is at least a reasonably high degree of similarity between all the goods of the Applicant's specification and those of the earlier mark. I have found that the earlier mark has acquired a high degree of distinctiveness for chocolate confectionery. I have found that some consumers may notice the difference between the competing marks

⁸ See also the observations of Prof. Phillip Johnson, sitting as the Appointed Person, in *Dreamers Club*, O/091/19, at paragraphs 11-14.

(i.e. the space between PIC and NIC being present in one but not the other) and others will not. Where the difference is noticed, the marks will not be directly confused. Nevertheless, given my findings on the average consumer and the purchasing process, and bearing in mind the principle of imperfect recollection, I consider that at least a significant proportion of the relevant public will directly confuse the marks (i.e. mistake one mark for the other). In case I am wrong about that, however, I shall also consider the likelihood of indirect confusion.

47) Indirect confusion exists where, although the consumer has noticed a difference between the marks, he or she wrongly believes that the respective goods or services come from the same or economically-linked undertakings. In the present case, especially in the light of the high degree of distinctiveness of the Opponent's mark and the conceptual identity of the competing marks, I do not consider that, where noticed, the consumer will attribute distinctive significance to such a minor difference as the gap between the constituent syllables in the contested mark. Under these circumstances the consumer would not expect the use of such a highly similar mark on goods which I have found to have at least a reasonably high degree of similarity to be a mere coincidence. He or she will simply assume that a variant mark is being used, and that the goods originate from the same or a related undertaking. Accordingly, I conclude that there is a likelihood of either direct or indirect confusion in respect of all the goods of the Applicant's specification.

48) Since the opposition succeeds in its entirety on the basis of this ground, there is no need to consider the remaining grounds, as they do not materially improve the opponent's position.

Outcome

49) The opposition succeeds in its entirety.

Costs

50) The Opponent has been successful and is entitled to a contribution towards its costs. The evidence was quite succinct and the pleadings and submissions of both

parties were relatively straightforward and brief. I hereby order Roofoods International to pay Cadbury UK Ltd the sum of £1,500. This sum is calculated as follows:

Opposition fee	£200
Preparing a statement and considering the other side's statement	£300
Preparing evidence	£600
Preparing written submissions	£400

The above sum should be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 16th day of May 2019

Martin Boyle

For the Registrar,

The Comptroller-General