

O/214/20

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3381220
BY FAST TRACK GLOBAL LIMITED
TO REGISTER THE TRADE MARK:**



**IN CLASSES 9 AND 28
AND
IN THE MATTER OF THE OPPOSITION THERETO
UNDER NO. 416593
BY MONSTER ENERGY COMPANY**

BACKGROUND AND PLEADINGS

1. On 07 March 2019, Fast Track Global Limited (“Fast Track”) applied to register the following trade mark in the UK:



2. The application was published for opposition purposes on 15 March 2019 and registration is sought for the following goods:

Class 9: *Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; Apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; Apparatus for recording, transmission or reproduction of sound or images; Magnetic data carriers, recording discs; Compact discs, DVDs and other digital recording media; Mechanisms for coin-operated apparatus; Cash registers, calculating machines, data processing equipment, computers; Computer software; Fire-extinguishing apparatus.*

Class 28: *Games and playthings; Gymnastic and sporting articles not included in other classes; Decorations for Christmas trees.*

3. On 14 June 2019, Monster Energy Company (“Monster”) opposed the application. The opposition is based upon Sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”) and concerns all the applied-for goods.

4. Under Section 5(2) and Section 5(3), Monster relies on the following marks¹:

¹ Monster initially relied on another mark, i.e. EUTM 11669851. However, at paragraph 11 of its submission in lieu, it stated that it no longer relies on that mark.

i. UK no. 3350872



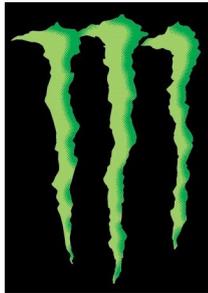
Filing date: 05 November 2018; Date of entry in register: 01 March 2019;
Priority date: 08 May 2018.

Relying on some of the goods for which the mark is registered, namely:

Class 9: *Sport helmets; video recordings featuring sports, extreme sports and motor sports.*

Class 18: *All-purpose sport bags; all-purpose carrying bags; backpacks; duffel bags.*

ii. EUTM no. 17896505



Filing date: 08 May 2018; Date of entry in register: 26 September 2018.

Relying on some of the goods for which the mark is registered, namely:

Class 9: *Sport helmets; video recordings featuring sports, extreme sports and motor sports.*

Class 18: *All-purpose sport bags; all-purpose carrying bags; backpacks; duffel bags.*

iii. UK no. 3254978



Filing date: 06 September 2017: Date of entry in register: 01 December 2017.

Relying on some of the goods for which the mark is registered, namely:

Class 9: *Protective covers and cases for cell phones, laptops, tablets, portable media players and other electronic devices, namely, mobile phones, smartphones, media players, music players, computers, and portable electronic devices; earphones and headphones; protective ear coverings, namely helmets; eye glasses, eye glass cases, sunglasses, sunglass cases.*

Class 18: *All-purpose sport bags; all-purpose carrying bags; backpacks; duffle bags.*

5. As the earlier 17896505 is identical to the earlier 3350872², I shall from now on refer only to the earlier 3350872.

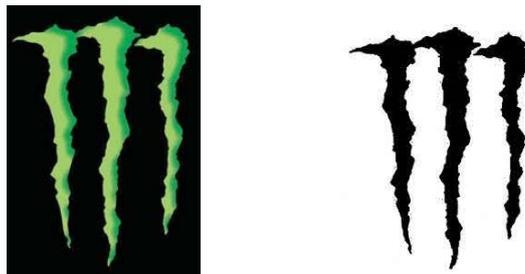
6. Monster claims that the marks are similar and that the goods covered by the applied for mark are identical or similar to those for which the earlier marks are registered, leading to a likelihood of confusion on the part of the public. Therefore, registration of the applied for mark should be refused under Section 5(2)(b) of the Act.

7. Additionally, Monster claims that the earlier 3350872 has acquired an international reputation in the UK for *Non-alcoholic beverages, namely carbonated and non-carbonated energy drinks, carbonated and noncarbonated sports drinks, and drinks enhanced with vitamins, minerals, nutrients, amino acids and/or herbs* (in class 32) and that the earlier 3254978 has acquired an international reputation in the UK for *Energy drinks, sports drinks, fruit juice drinks, other non-alcoholic beverages* (in class 32). Consequently, use of the applied for mark would, without due cause, take unfair advantage of, or be detrimental to, the reputation or distinctive character of the earlier marks and registration should be refused under Section 5(3) of the Act. I note that the heads of damage specifically identified for the purposes of the Section 5(3) ground are as follows:

² EUTM17896505 is the mark from which UK3350872 claims priority

- That use of the applied for mark “*will cause tarnishment or degradation, in particular as [Monster] will not be able to control the manner in which [Fast Track’s] mark is used, which may be in a manner which is adverse to the reputation of the earlier trade mark*” and
- That use of the applied for mark “*will affect the economic behaviour of the relevant public because it will reduce the ability of the public to distinguish the goods offered under the earlier mark from those of other traders; there is a serious risk that this reduced ability to distinguish the goods offered under the earlier mark will result in a loss of sales to the relevant public of the goods offered under the earlier mark*”.

8. Under Section 5(4)(a) of the Act, Monster claims that it has acquired goodwill in the UK as a result of the use of the following signs since 2008 in relation to *drinks*.



9. Monster claims that use of the applied for mark would constitute a misrepresentation to the public that the goods offered under the applied-for mark are “*provided by, endorsed by, or otherwise commercially linked to [Monster]*” leading to considerable damage to the goodwill associated with the earlier marks. Consequently, use of the applied for mark would be contrary to the law of passing off.

10. Fast Track filed a counterstatement denying the claims made. Only Monster filed evidence in these proceedings.

11. Fast Track is represented by Beck Greener LLP. Monster is represented by Bird & Bird LLP. Neither party requested a hearing and only Monster filed written submissions in lieu of attendance. This decision is taken following a careful perusal of the papers.

MONSTER'S EVIDENCE

12. Monster filed evidence in the form of the witness statement of Rodney C Sacks dated 27 September 2019. This was accompanied by 51 exhibits (RCS-1-51). Mr Sacks is the Chairman and Chief Executive Officer of Monster. I have read Mr Sacks' evidence in its entirety and summarise it below only to the extent that I consider necessary. The most pertinent aspects of Mr Sacks' evidence are as follows:

- Monster is in the business of developing, marketing and selling energy drinks. Mr Sacks states that the earlier marks are famous and are collectively described as “the Claw Icon” marks and the “Monster Marks”. Mr Sacks says that the earlier 3350872 and the earlier 3254978 are used in connection with the MONSTER and MONSTER ENERGY lines of beverages respectively, which are well known in the UK, in the EU and internationally. The MONSTER ENERGY drink was launched in 2002 in the USA and reached the EU and UK markets in 2008. Since then, the Claw Icon marks have been continuously and extensively used in the UK.
- Monster is a leader in the beverage industry. Mr Sacks provides a list of all Monster's trade mark registrations for the Claw Icon marks in the UK and in the EU³. MONSTER energy drinks have historically been the best-selling energy drinks in the USA with a market share of 38%. They are also the second best-selling energy drinks in the EU. Monster's MONSTER line of energy drinks includes a number of different products, all of which share the common brand name MONSTER. All of the MONSTER energy drink bear one or more of the Claw Icon marks.
- Since 2002, Monster has sold more than 28 billion cans of MONSTER energy drinks worldwide generating a revenue of over \$60 billion and estimated retail sales are now approximately \$6 billion per year worldwide.

³ RCS-1

- The evidence shows very significant sales volumes across EU countries, including the UK. Monster's sale of MONSTER energy drinks in the UK, have been as follows: €79.9 million in 2012; €96.3 million in 2013; €95.9 million in 2014; €119.6 million in 2015; €124.4 million in 2016; and €153 million in 2017. These sales equate to 743.3 million cans sold in the UK between 2012 and 2017. Mr Sacks confirms that all these goods bore one of more of the Claw Icon marks. He also states that the company's energy drinks are sold in over 50,000 retail stores and outlets and 7,600 pubs in the UK.
- Monster had the following shares of the UK market for energy drinks: 8.8% in 2012; 10.4% for the first 9 months of 2013; 10.9% for 13 week period ending 2 November 2013; 12.3% for the 13 week period ending 2 December 2014, 13.1% for the 13 week period ending 5 December 2015, and 15% for the 13 week period ending 3 December 2016⁴.
- Monster has adopted an unconventional marketing strategy that does not use direct television, radio advertising or mainstream printed media, but focuses on product placement and sponsorship of sport and music events and personalities. In the UK and the EU, Monster has focused on the sponsorship of athletes and events, including providing athletes with Monster-branded apparel that bear the Claw Icon Marks⁵. This is because (1) the marketing, advertising and promotion that Monster carries out in relation to the Claw Icon marks are all about image. The athletes and events that Monster sponsor tend to be edgy, aggressive or extreme reinforcing the image of MONSTER energy drinks as edgy and aggressive; (2) the target audience of MONSTER energy drinks are primarily the so-called 'millennials' who tend to be sceptical about mainstream advertising and are more inspired to buy a product if they consider it to be cool.
- Mr Sacks states that since 2002, Monster has spent more than US\$ 4.3 billion advertising and promoting its MONSTER energy drinks worldwide, with more

⁴ RCS-5

⁵ RCS-6

than €119.4 million being spent in the EU alone in one year (in 2015). Marketing spent in the UK was in excess of US\$ 370 million in the period 2011-2018. All of the company's advertising features the Claw Icon marks.

- Monster's sponsorship activity involves the Claw Icon marks being prominently displayed at popular sport and music events. This gives Monster a global audience for the Claw Icon marks and "*a tremendous worldwide exposure*". Monster has sponsored, amongst others, the following: (1) one of the F1 teams, the MERCEDES AMG PETRONAS, which includes world champion Lewis Hamilton (since 2010); (2) Moto GP events and teams, including the Moto GP Factory Team and athlete Valentino Rossi (since 2007) and (3) FIM Motocross world championship (since 2011). As part of this sponsorship, the Claw Icon marks are prominently displayed on the helmets and suits worn by drivers and racers and on banners displayed at the events themselves⁶. Mr Sacks provides information about audience for the F1 racing, the British Grand Prix event, the UK MotoGP race and the FIM Motocross British Grand Prix. He also lists the achievements of teams and athletes it sponsors. Other events sponsored by Monster include motoring events, such as Dakar Rally, motorbike and cycling races as well as annual events for extreme sports, i.e. The X Games, and a martial arts fighting championship, i.e. UFC. Monster's sponsorships also include 'The Monster Army', an amateur athlete developing programme whereby participants apply through the website www.monsterarmy.com; those who are selected receive Monster's assistance with gear, training and travel.
- Monster devotes a large proportion of its marketing and promotional spent to sponsoring professional athletes. The athletes sponsored by Monster are provided with Monster branded apparel. Names and achievements of the athletes sponsored by Monster are provided.
- Monster also sponsors music festival and musicians. Most of the event listed appear to be US based, however, Mr Sacks also mentions a festival held in Liverpool.

⁶ RCS-10, RCS-13, RCS-14 and RCS-15

- Monster launched its website www.monsterenergy.com in 2003. The website has, amongst others, EU and UK versions. The website prominently displays MONSTER energy drinks and the Claw Icon marks⁷. From 2010 to 2017, Monster's website received more than 36 million visits, with more than 10.3 million visits coming from the EU and more than 1.9 million from the UK. The majority of Monster's website provides users with information concerning various Monster's sponsored events, athletes and musicians, however, the 'Products page' also contains information regarding Monster's energy drinks. Visitors to Monster's website can also subscribe to the Monster Energy Newsletter, which informs subscribers about achievements obtained by athletes sponsored by Monster.
- The Claw Icon marks have achieved significant exposure through Monster's Facebook pages, Instagram and Twitter accounts and YouTube Channel. The Facebook pages have received over 26 million likes with over 1.1 million coming from the UK. The Instagram account has 5.9 million followers. The Twitter account has over 3.1 million followers. The YouTube Channel has received more than 316 million views worldwide, with 10 million views being from the UK⁸. Monster has also separate Twitter accounts for EU countries, including the UK. In 2012, US business news channels CNBC reported that the Monster Energy Facebook page is one of the top 10 most liked brands on Facebook worldwide.
- The Claw Icon marks also feature in internationally popular driving and skateboarding video games. Between 2009 and 2017, Monster has partnered with video game publishers to promote the release of successful video games. When Monster partners with developers and publishers of video games, it will often release special edition cans which display the video game title alongside the Claw Icon mark⁹. Monster has also licensed use of its Claw Icon marks in connection with video game controllers which feature the Claw Icon marks. It is not clear whether there has been any sale of video games and video games

⁷ RCS-44

⁸ RCS-45

⁹ RCS-48

controllers in the UK. Since 2011, Monster has also sponsored video games competitions held online.

- Since 2002, Monster has used its Claw Icon marks on apparel and merchandising, including clothing and accessories. Examples are provided. Due to the huge demand for those items, Monster has entered into licence agreements with several clothing and stickers manufacturers, giving them licence to produce products which bear the Claw Icon mark. Authorised licensees sell clothing bearing the Claw Icon marks throughout the EU, including the UK. Amateur athletes who are part of the Monster Army programme can order clothing and merchandising bearing the Claw Icon marks through the website. In addition, between 2011 and 2013 more than 19,000 items of Monster's gear and merchandising were distributed through a MONSTER GEAR programme whereby consumers could win authentic Monster's items by mailing in the can tabs. Finally, Monster also promotes the brand by giving away items of merchandising at the events it sponsors.

DECISION

SECTION 5(2)(b)

13. Section 5(2)(b) of the Act is as follows:

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

(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”.

14. Monster's trade marks both have filing dates that are earlier than that of the trade mark in question, and, therefore, they are both earlier marks, in accordance with Section 6 of the Act. As the registration procedure for the earlier marks was not completed more than 5 years prior to the date of the application for registration of the

applied for mark, they are not subject to the proof of use conditions, as per Section 6A of the Act.

The principles

15. The following principles are gleaned from the decisions of the EU courts 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 greater 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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

16. In the judgment of the Court of Justice of the European Union (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”.

17. 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.

18. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the General Court (GC) stated that “complementary” means:

“...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.

19. In *Gérard Meric v OHIM*, Case T- 133/05, the GC 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 trade mark application (Case T-388/00 *Institut for 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.”

20. The competing goods are as follows:

The applied for goods	The earlier goods
<p>Class 9: <i>Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; Apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; Apparatus for recording, transmission or reproduction of sound or images; Magnetic data carriers, recording discs; Compact discs, DVDs and other digital recording media; Mechanisms for coin-operated apparatus; Cash registers, calculating machines, data processing equipment, computers; Computer software; Fire-extinguishing apparatus.</i></p> <p>Class 28: <i>Games and playthings; Gymnastic and sporting articles not included in other classes; Decorations for Christmas trees.</i></p>	<p>UKTM no. 3350872</p> <p>Class 9: <i>Sport helmets; video recordings featuring sports, extreme sports and motor sports.</i></p> <p>Class 18: <i>All-purpose sport bags; all-purpose carrying bags; backpacks; duffel bags.</i></p>
	<p>UKTM no. 3254978</p> <p>Class 9: <i>Protective covers and cases for cell phones, laptops, tablets, portable media players and other electronic devices, namely, mobile phones, smartphones, media players, music players, computers, and portable electronic devices; earphones and headphones; protective ear coverings, namely helmets; eye glasses, eye glass cases, sunglasses, sunglass cases.</i></p> <p>Class 18: <i>All-purpose sport bags; all-purpose carrying bags; backpacks; duffel bags.</i></p>

Class 9

21. Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments. These goods, Monster says, are identical or highly similar to the earlier *Sport helmets; protective ear coverings, namely helmets; eye glasses, eye glass cases, sunglasses, sunglass cases*, because the earlier goods are types of *life-saving apparatus and instruments* that will protect the user from injury or harm and may save their life. I have no submissions to inform me as to what *life-saving apparatus and instruments* cover. I can only assume that it covers goods that are meant to save lives in life-threatening situations involving an element of rescue, resuscitation and first aid, such as, for example, swim floats for safety purposes and fire blankets. To that extent, I do not consider that helmets (or glasses and sunglasses) fall within that category. That said, helmets are protective and safety devices meant to be used within environments that can involve a risk of accident or injury. Consequently, I find that the contested *life-saving apparatus and instruments* are similar to a medium degree to Monster's *helmets* because the goods have a similar purpose, target the same consumers and may be sold in the same outlets. I also find that the contested *optical apparatus and instruments* include the earlier *eye glasses and sunglasses* and are identical (*Meric*).

22. The remaining *Scientific, nautical, surveying, photographic, cinematographic, weighing, measuring, signalling, checking (supervision) and teaching apparatus and instruments* are dissimilar.

23. Apparatus for recording, transmission or reproduction of sound or images. I agree with Monster that these goods are complementary to the earlier *video recordings featuring sports, extreme sports and motor sports*. The goods serve to reproduce sound and images and include goods, such as DVD players, which are used to play Monster's recordings. These goods are, therefore, complementary. They are available in the same outlets and have the same end consumers. On the other hand, the nature of these goods is different, and their producers are not necessarily the same. The goods are similar to a low degree.

24. Computer software. The contested *Computer software* is broad enough to include software that can be used to watch the earlier *video recordings featuring sports, extreme sports and motor sports* on audio visual display devices. These goods can be provided through the same distribution channels, target the same public and are complementary. The goods are similar to a low degree.

25. Magnetic data carriers, recording discs; Compact discs, DVDs and other digital recording media. Monster says that these goods are similar to the earlier *Protective covers and cases for cell phones, laptops, tablets, portable media players and other electronic devices, namely, mobile phones, smartphones, media players, music players, computers, and portable electronic devices*. I disagree. Monster's protective covers are designed to be used with cell phones, laptops, tablets, mobile phones, smartphones, media players, music players, computers, and portable electronic devices, which are not the same as the contested *Magnetic data carriers, recording discs; Compact discs, DVDs and other digital recording media*. The latter are various kinds of blank data carriers. I also asked myself whether there is any similarity between the contested *Magnetic data carriers, recording discs; Compact discs, DVDs and other digital recording media* and the earlier *video recordings featuring sports, extreme sports and motor sports* which contain recorded content. However, my conclusion is that these goods are dissimilar too. Blank media for recording one's own content and media that contain recorded data are very distinct products. The consumer of Monster's *video recordings* is, in essence, purchasing the recorded data. Consumers looking for a *video recording featuring sports, extreme sports and motor sports* would not buy a blank DVD instead. The goods have different purposes and methods of use and are neither complementary nor in competition. These goods are dissimilar.

26. Data processing equipment, computers. Data processing equipment include computers, so I will treat *Data processing equipment* and *computers* as being the same thing. I agree with Monster that these goods are similar to the earlier *Protective covers and cases for computers*. Whilst the nature and purpose of the goods is different, the goods are complementary, the relevant public for such goods and their distribution channels coincide, and the producers may be the same. The goods are similar to a low degree.

27. Apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; Fire-extinguishing apparatus; Mechanisms for coin-operated apparatus; Cash registers, calculating machines. I have no submissions as to why these goods are similar to the goods of the earlier marks. The goods differ in nature, purpose, method of use, producer and relevant public, and are neither in competition nor complementary to each other. There is no obvious link between these goods and the earlier goods and Monster did not submit any arguments to the contrary. These goods are dissimilar.

Class 28

28. Gymnastic and sporting articles not included in other classes. These goods, in common with the earlier *helmets* in class 9, are all used in sports and can be complementary. They are available in the same outlets that specialise in sports products and they share end consumers. Further, the makers of sporting articles may produce helmets, so the goods are commonly from the same undertakings. These goods are therefore similar to a medium degree.

29. Games and playthings. There is a clear overlap between *Games and playthings* and the *sporting articles* I discussed above. For example, *Games* may include cricket or baseball and *playthings* include toy vehicles, such as scooters and carts. Participants in such games and users of such playthings may wear a helmet for safety purposes. In line with my analysis in relation to *Gymnastic and sporting articles not included in other classes* I again find some similarity between the earlier *helmets* and *Games and playthings* to a medium degree.

30. Decorations for Christmas trees. I have no submissions as to why these goods are similar to the goods of the earlier marks and I cannot see any obvious similarity in terms of nature, purpose, uses, method of use and trade channels. Further the goods are neither complementary nor in competition. These goods are dissimilar.

31. In *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, Lady Justice Arden stated that:

“49..... I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be shown. If there is no similarity at all, there is no likelihood of confusion to be considered. If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity.

32. Since some similarity of goods is a pre-condition for the application of Section 5(2)(b) of the Act¹⁰, the opposition fails in relation to the goods which I found to be dissimilar, namely:

Class 9: *Scientific, nautical, surveying, photographic, cinematographic, weighing, measuring, signalling, checking (supervision) and teaching apparatus and instruments; Apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; Magnetic data carriers, recording discs; Compact discs, DVDs and other digital recording media; Mechanisms for coin-operated apparatus; Cash registers, calculating machines; Fire-extinguishing apparatus.*

Class 28: *Decorations for Christmas trees*

The average consumer and the nature of the purchasing act

33. As the case law above indicates, it is necessary for me to determine who the average consumer is for the goods at issue; I must then determine the manner in which these goods will be selected in the course of trade. 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:

¹⁰ *Waterford Wedgwood plc v OHIM* – C-398/07 P

“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.”

34. The average consumer of the goods that I have found to be identical or similar, i.e. *Optical and life-saving apparatus and instruments; Apparatus for recording, transmission or reproduction of sound or images; data processing equipment, computers; Computer software, Games and playthings; Gymnastic and sporting articles not included in other classes*, is a member of the general public. The goods are most likely to be selected visually, after perusing shelves in retail outlets and viewing information on the internet or on promotional materials. However, aural considerations must still be kept in mind (in the form of requests to sales assistants, orders placed by telephone and word-of-mouth recommendations).

35. As to the degree of care the average consumer will display when selecting the goods, Monster says that it will be “average to low”. Bearing in mind that the cost of the goods at issue can vary considerably, from, for example, a relatively inexpensive cover for a mobile phone to a fairly expensive computer, and that, even when the goods are not particularly expensive, the average consumer will also need to satisfy themselves that the item in question contains the features they require, I conclude that degree of attention paid by the average consumer will vary from medium to above medium.

Distinctive character of earlier mark

36. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*²⁶, 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).”

37. Monster claims that the earlier marks have acquired an enhanced degree of distinctive character “*through the significant reputation it has built in the earlier marks in relation to the goods covered by the [...] earlier marks and in relation to drinks*”. By Monster’s own admission, “*the earlier marks are used on [Monster’s] drinks cans*”. Even if Monster had established that the distinctiveness of the earlier marks has been enhanced through use, the goods in respect of which that distinctiveness has been enhanced, i.e. energy drinks, do not fall within the scope of the goods in classes 9 and 28 which are relied upon by Monster for the purpose of the opposition based on Section 5(2)(b), nor are they closely similar to such products.

38. Further, although Monster has used the earlier marks on other goods including helmets, clothing and merchandising, the use on these goods is aimed at encouraging the sale of Monster’s energy drinks, which is its primary business, rather than creating a market for these goods. But, even if I were to accept that some use has been made

on the goods relied upon under Section 5(2)(b), such as, for example, helmets, there is no evidence in terms of the overall sales of helmets (or any other item of merchandising) bearing the earlier marks. Therefore, the evidence does not establish that the distinctiveness of the earlier marks have been enhanced through use.

39. From an inherent perspective, the earlier marks consist of two claw-like devices. The marks have no meaning for any of the goods at issue. I consider that the earlier marks have a medium degree of distinctive character.

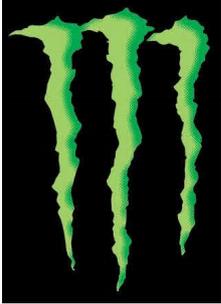
Comparison of marks

40. 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 them, 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.”

41. It would be wrong therefore artificially to dissect the marks, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features, (which are not negligible) and therefore contribute to the overall impressions created by them.

42. The marks to be compared are:

The applied for mark	The earlier marks
	<p data-bbox="810 253 981 286">UK3350872</p> 
	<p data-bbox="810 656 981 689">UK3254978</p> 

Overall impression

43. The applied for mark consists of four white parallel diagonal stripes, placed within a black square device. The stripes are thick and slightly thinner at the end and have an irregular contour. Monster says that both the applied for mark and the earlier marks represent a claw. However, in my opinion, the applied for mark will not necessarily be linked to a claw. The impression the mark produces is not easy to interpret and, I must confess, I do not know what it is. However, in my view, the average consumer is unlikely interpret the mark as being a sign left by a claw and will see the mark more as a puzzler than anything else. I say this because the stripes are too thick and too short to be perceived as four nail scratches (which I would expect to have pointed ends at the top) and are not merged with a toe pad, so they do not immediately bring to mind the idea of a claw or a sign left by an animal. While the black square background is banal and cannot be said to be distinctive, it does have a visual impact. Nonetheless, the distinctive and dominant element of the applied for mark is the device.

44. Monster's marks consist of three long vertical lines. Each vertical line has a pointy horizontal protuberance at the top. This has the effect of approximately joining the third line to the second line and the second line to the first line, giving the impression of a letter 'm'. The vertical lines have an irregular contour, are of slightly different length (with the middle one being slightly longer than the lateral ones) and become narrower towards the base. The sign looks animalistic and is likely to be interpreted as a stylised letter 'm' (especially when used together with the name of the undertaking responsible for the goods, i.e. Monster) and/or as a mark left by a claw in a tearing or ripping motion from top to bottom. The only difference between the two earlier marks is that in one mark (UK3350872) the claw is incorporated within a black rectangle, whilst in the other mark (UK3254978) is presented in black. The claw device is therefore (1) the element which plays the greatest role in the overall impression of the UK3350872 mark and (2) the only element of the UK3254978 mark, in which the overall impression lies.

Visual similarity

45. Visually, whilst I recognise that the figurative elements of the marks include a number of stripes with irregular contours and that the applied for mark and one of the earlier marks present the device within a black quadrilateral background, this is where the parallel ends. The overall impression of the marks, as wholes, is different. In particular, the marks differ in that (1) the applied for mark has four stripes whilst the earlier marks have three stripes; (2) the position and inclination of the stripes is different, one being vertical, the other one diagonal. Even if the applied for mark were to be rotated in a position which would make the stripes look vertically aligned, the background would then appear of a diamond-like shape introducing a further difference between the marks; (3) the stripes are joint at the top in the earlier marks but not in the applied for mark; (4) the stripes in the applied for mark are of different length and width from those in the earlier marks and (4) the device in the earlier marks will be understood as a stylised letter 'm' whilst the applied for mark will not be associated to any letter. The marks are visually different.

Aural similarity

46. Aurally, purely figurative signs will not be articulated and are not subject to an aural assessment. Monster accepts that as the marks are purely figurative an aural comparison is not possible.

Conceptual similarity

47. Monster says that the marks are conceptually similar because they represent a claw device and will be perceived as animal claw scratches. I have already explained why I do not consider that the applied for mark will be perceived as a claw scratch. From a conceptual perspective, device marks might be open to interpretation. However, the assessment of likelihood of confusion must take into account the way in which a disputed mark is likely to be interpreted by a significant proportion of average consumers. I have no evidence to support Monster's submission that the applied for mark would be interpreted as a claw. I find that the most that can be said of the applied for mark is that it may be seen as four rips, slashes or tears; whereas the concept intended by the earlier marks is clearly a claw-based scratch; moreover, when the earlier marks are used with the name of the undertaking, e.g. Monster, the marks suggest that the claw in question is that of a monster. If I am wrong, and some consumers may perceive the device in the applied for sign as a mark left by a claw, I consider that this (1) would not amount to a significant proportion of average consumers, bearing in mind that *"a tribunal is justified in avoiding excessive speculation as to possible sources of confusion"*¹¹; (2) would not necessarily create a conceptual similarity because the devices in the marks will be linked to different creatures, one being an animal with four claws and one being an animal with three claws (3) the stylisation of devices in the marks creates noticeably different overall impressions and brings out the character of the earlier marks as the letter 'm', a concept that has no counterpart in the applied for mark. This means that, realistically, the average consumer is unlikely to make a conceptual link between the marks. The marks are not conceptually similar.

¹¹ ZOHARA, BL-040-20, paragraph 43

Likelihood of confusion

48. A pre-requisite for the existence of a likelihood of confusion is that there is at least some similarity between the marks. In *Calvin Klein Trademark Trust v OHIM*, Case C-254/09 P, the CJEU found that¹²:

“53. As regards the third part of the first ground of appeal, it should be noted, first, that, where there is no similarity between the earlier mark and the mark applied for, the reputation of or the goodwill attaching to the earlier mark and the fact that the goods or services concerned are identical or similar are not sufficient for it to be found that there is a likelihood of confusion between the marks at issue (see, to that effect, Case C-106/03 *P Vedral v OHIM* [2004] ECR I-9573, paragraph 54; Case C-234/06 *P Il Ponte Finanziaria v OHIM* [2007] ECR I-7333, paragraphs 50 and 51; and the judgment of 11 December 2008 in Case C-57/08 *P Gateway v OHIM*, paragraphs 55 and 56).

54. In the judgment under appeal, the General Court found that there was no similarity between the marks at issue. It stated, at paragraph 52 of that judgment, that the visual, phonetic and conceptual examination of the marks shows that the overall impression created by the earlier marks is dominated by the element ‘ck’ whereas that created by the trade mark applied for is dominated by the element ‘creaciones kenny’, concluding that the lack of similarity between the signs at issue thus stems from their visual, phonetic and conceptual differences.

56. It must be observed in that connection that, contrary to what appears to be stated at paragraph 39 of the judgment under appeal, the existence of a similarity between two marks does not presuppose that their common component forms the dominant element within the overall impression created by the mark applied for. According to established case-law, in order to assess the similarity of two marks, it is necessary to consider each of the marks as a

¹² See also *J.W. Spear & Sons Ltd & others v. Zynga Inc* [2015] EWCA Civ 290, paragraphs 58-60, where the Court held that where there is no overall similarity between the competing marks, there is justification for not going any further in assessing whether there is a likelihood of confusion

whole, although that does not rule out the possibility that the overall impression created in the mind of the relevant public by a complex trade mark may, in certain circumstances, be dominated by one or more of its components. However, it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element (see *OHIM v Shaker*, paragraphs 41 and 42; the judgment of 20 September 2007 in Case C-193/06 P *Nestlé v OHIM*, paragraphs 42 and 43; and *Aceites del Sur-Coosur v Koipe*, paragraph 62). In that connection, it is sufficient for the common component not to be negligible.

57. However, it is clear that the General Court found, first, that the overall impression created by the mark applied for is dominated by the element ‘creaciones kenny’, on which the consumer concerned will to a very great extent focus his attention and, second, in particular at paragraph 44 of the judgment under appeal, that the element ‘ck’ occupies only an ancillary position in relation to that element, which, in essence, amounts to a conclusion that the element ‘ck’ in the mark applied for is negligible.

58. Thus, having ruled out, on the basis of a properly conducted analysis, any similarity between the marks at issue, the General Court correctly concluded, at paragraphs 53 to 57 of the judgment under appeal, that, notwithstanding the reputation of the earlier marks and the fact that the goods covered by the marks at issue are identical, there is no likelihood of confusion between the marks.”

49. Further, the CJEU held in *Gateway v OHIM*, Case C58/08 P, that it was not necessary for the GC to make apparent the degree of renown of the earlier mark because it was not relevant in circumstances where the marks as a whole were not similar.

50. My primary finding is therefore that, as I find that the marks are dissimilar overall, there is no need to go on and consider the likelihood of confusion.

51. Although, in the light of my finding that there is no overall similarity between the marks in issue, it is not necessary for me to consider the likelihood of confusion, I will nonetheless consider briefly whether there would be any likelihood of confusion if the marks were similar to any degree.

52. In my view, if there is any similarity, it must come down to the presence in both marks of a number of parallel stripes. Considering the difference in the overall impressions created by the marks, this would give rise, to, at best, a low degree of visual similarity between the marks. Aurally, Monster accepted that a comparison is not possible. Conceptually, even if a sufficiently significant proportion of average consumers were to perceive the applied for mark as being a sign left by a claw, the visual differences between the marks are such that they would reduce any conceptual similarity between the marks to a different representation of the same concept¹³, in addition to the fact that the earlier marks convey the concept of the letter 'm' which has no counterpart in the applied for mark. Again, this would give rise to no more than a low degree of conceptual similarity.

53. As regards the other factors, I have found the parties' goods to vary from being identical to similar to a low degree. I have identified the average consumer to be a member of the general public who will purchase the goods by both visual and aural means. I have concluded that the degree of attention paid during the purchasing process will vary from medium to above medium. I have found the earlier marks to have a medium degree of inherent distinctive character.

54. Taking into account all of the above, even proceeding on the basis that the marks are visually and conceptually similar to a low degree, and that the assessment must be carried out taking into account the visual similarity between the marks (as no aural comparison is possible), the differences in the marks are such that there is no likelihood of confusion, despite the identity between some of the goods. I see no reason for a likelihood of indirect confusion amongst those average consumers who recognise that the marks are different. For example, there is no 'family' resemblance

¹³ See by analogy BL-O-115-19, paragraph 30

between them that might suggest that they are used by the same or related undertakings. **There is no likelihood of confusion.**

55. The opposition based on Section 5(2)(b) fails.

SECTION 5(4)(a)

56. Section 5(4)(a) states:

“(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) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

(aa)

(b)

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.”

57. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the Jif Lemon case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether "a substantial number" of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

58. Even if Monster's signs are possessed of a significant level of goodwill in relation to the goods claimed, it follows from my earlier findings that the lack of any overall similarity between Monster's earlier signs and the application means that there will be no misrepresentation. The Section 5(4)(a) ground fails.

59. However, for the sake of completeness, I will go on to consider the Section 5(4)(a) claim on the assumption that the marks are visually and conceptually similar to a low degree.

Goodwill

60. The House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL) provided the following guidance regarding goodwill:

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start."

61. Fast Track has not claimed that it has used the contested mark before the date of application, i.e. 7 March 2019, so this is the relevant date for the purposes of Section 5(4)(a). Monster claims to have acquired goodwill under the earlier marks in relation to drinks. The turnover figures, the marketing figures and the market share provided by Mr Sacks are impressive and it emerges clearly from the evidence that Monster is a leader in the field of energy drinks. I have no hesitation in finding that Monster had a significant degree of goodwill in relation to energy drinks at the relevant date and that the earlier marks are distinctive of that goodwill.

Misrepresentation

62. *Halsbury's Laws of England Vol. 97A* (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

63. Even proceeding on the basis that the marks are visually and conceptually similar to a low degree, the similarities between the marks are not enough to cause a substantial number of Monster’s customers or potential customers to believe that the applied for goods are, in any way, connected with Monster, despite the significant goodwill vested in Monster’s business. Further, the position in relation to passing off is even starker because Monster relies on energy drinks, which are in a different field of activity from that in which Fast Track seeks trade mark protection, namely *Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; Apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; Apparatus for recording, transmission or reproduction of sound or images; Magnetic data carriers, recording discs; Compact discs, DVDs and other digital recording media; Mechanisms for coin-operated apparatus; Cash registers, calculating machines, data processing equipment, computers; Computer software; Fire-extinguishing apparatus (in class 9) and Games and playthings; Gymnastic and sporting articles not included in other classes; Decorations for Christmas trees (in class 28)*. Consequently, use of the mark would not constitute a misrepresentation to the public. **The Section 5(4)(a) ground of opposition is therefore also rejected.**

64. In the alternative, Monster seems to rely, in its submissions in lieu, on the goodwill generated by of use of the mark on promotional items and items of merchandising.

First, this line of argument was not clearly pleaded in the Form TM7, and second, even assuming that Monster had acquired a goodwill in relation to items of merchandising, in order for Monster to succeed in a passing off action on a false endorsement case, Monster would still need to show misrepresentation, which I have already found, is not established¹⁴.

SECTION 5(3)

65. Section 5(3) states:

“(3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

66. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Addidas-Salomon*, Case C-487/07, *L’Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

¹⁴ *Irvine v Talksport Ltd* [2003] F.S.R. 35, paragraph 31-33

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman, paragraph 29* and *Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

67. Similarity of signs under Section 5(3) of the Act is assessed in the same way as for Section 5(2)(b), per *Adidas-Salomon*:

“28. The condition of similarity between the mark and the sign, referred to in Article 5(2) of the Directive, requires the existence, in particular, of elements of visual, aural or conceptual similarity (see, in respect of Article 5(1)(b) of the Directive, Case C-251/95 SABEL [1997] ECR I-6191, paragraph 23 in fine, and Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraphs 25 and 27 in fine).

29. The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23).”

68. There is no threshold of similarity but there must be similarity when the marks are compared overall. In the already cited *Calvin Klein Trademark Trust v OHIM* case, the CJEU rejected an appeal against a judgment of the GC rejecting an opposition against a Community trade mark application under article 8(5) of the Community Trade Mark Regulation, which is analogous to Section 5(3) of the Act. The court held that:

“68. It should be noted that, in order for Article 8(5) of Regulation No 40/94 to be applicable, the marks at issue must be identical or similar. Consequently, that provision is manifestly inapplicable where, as in the present case, the GC ruled out any similarity between the marks at issue.”

69. Further, even if the earlier marks have a reputation, I must not lose sight of the overall comparison of signs that is required. In this connection, in Case T-215/17 *Pear Technologies* [2019] ETMR 26, the GC found that the Board of Appeal had erred in its assessment of the similarity of the marks because it had taken account, in its visual comparison, the reputation of the earlier mark. The GC stated that:

“The reputation and the distinctive character of the earlier mark constitute relevant factors for the purpose of assessing, not whether the marks at issue are similar, but whether the relevant section of the public makes a link between them.”

70. Consequently, the reputation of the earlier mark cannot assist Monster in establishing a link in the absence of similarity between the marks.

71. My primary finding is that in the absence of similarity between the marks, there will be no link made. Without a link, there will be no damage. The Section 5(3) ground fails.

72. However, for the sake of completeness, I will go on to consider the Section 5(3) claim on the assumption that the marks are visually and conceptually similar to a low degree.

Reputation

73. The required level of reputation was described by the CJEU in *General Motors*, Case C-375/97 in the following way:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”

74. I have already commented earlier in this decision on Monster’s turnover figures, marketing figures and market share. Further, Monster’s use of the earlier marks has been widespread use in relation to various energy drinks, and its marketing activities, although unconventional, have contributed to its business being recognised as a leading brand in relation to the aforementioned goods. I find that the earlier marks had a strong reputation in the UK at the date of filing of the opposed application for energy drinks.

The link

75. In addition to having a reputation, a link must be made between the applied for mark and the earlier marks. As I noted above, my assessment of whether the public will make the required mental ‘link’ between the marks must take account of all relevant factors. The factors identified in *Intel* are:

- *The degree of similarity between the conflicting marks.* The marks are visually and conceptually similar only to a low degree at most; aurally, a comparison is not possible.

- *The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public.* The goods for which the applied for mark seeks registration in class 9 and 28 are dissimilar to Monster's energy drinks.
- *The strength of the earlier mark's reputation.* Monster's reputation for energy drinks is strong.
- *The degree of the earlier mark's distinctive character, whether inherent or acquired through use.* The earlier marks have a medium degree of inherent distinctiveness. The reputation acquired by the relevant date, is enough to have made the earlier marks highly distinctive for energy drinks.
- *Whether there is a likelihood of confusion.* I have already found that there is no likelihood of confusion, even in relation to identical goods. I also find that there is no likelihood of confusion in relation to the goods for which Monster has a reputation, i.e. energy drinks, which are dissimilar to the applied for goods in class 9 and 28, even taking into account the enhanced degree of distinctive character of the earlier marks.

76. Taking all the relevant factors into account I find that, despite the strong reputation and high degree of distinctiveness of the earlier marks, the differences between the respective marks are such that the earlier marks will not be brought to mind if the relevant public were to encounter the applied for goods bearing the contested mark. No link will be made. If I am wrong about that, I find that any bringing to mind would be so fleeting as to be incapable of giving rise to any of the possible heads of damage. **The Section 5(3) ground is rejected accordingly.**

OUTCOME

77. The opposition has failed. Subject to any appeal, the applied for mark will be registered.

COSTS

78. Fast Track has been successful and is entitled to a contribution towards its costs, based upon the scale of costs published in Tribunal Practice Notice 2/2016. I calculate these as follows:

£350 for considering a notice of opposition and filing a counterstatement

£500 for considering Monster's evidence and submission in lieu.

79. I order Monster Energy Company to pay Fast Track Global Limited the sum of £850. This sum is to be paid within 21 days of the expiry of the appeal period or within 21 days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 6th day of April 2020

T Perks

For the Registrar,

The Comptroller – General