

O-293-20

**TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No. 3309175
BY PACIFIC FOOD PRODUCTS SDN BHD
TO REGISTER THE TRADE MARK**



IN CLASSES 29 & 30

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER No. 413497 BY
MONSTER ENERGY COMPANY**

BACKGROUND

1) On 8 May 2018, Pacific Food Products Sdn Bhd (hereinafter the applicant) applied to register the trade mark shown on the front page of this decision in respect of the following goods:

- In Class 29: Snacks of edible seaweed; Dried fruit-based snacks; Fruit-based snack food; Nut-based snack foods; Potato-based snack foods; Vegetable-based snack foods; Potato snacks; Fish crackers; Milk beverages, milk predominating; Milk shakes.
- In Class 30: Wheat-based snack foods; Cereal-based snack food; Grain-based snack foods; Biscuits; Instant noodles.

2) The application was examined and accepted, and subsequently published for opposition purposes on 25 May 2018 in Trade Marks Journal No.2018/021.

3) On 22 August 2018 Monster Energy Company (hereinafter the opponent) filed a notice of opposition. The opponent is the proprietor of the following trade marks:

Mark	Number	Dates of filing & registration	Class	Specification relied upon
MONSTER	UK 3254983	06.09.17 19.01.18	29	Dairy-based beverages and milk-based beverages containing coffee, chocolate and/or fruit juice; milk shakes.
			30	Ready to drink tea, iced tea and tea based beverages; ready to drink flavored tea, iced tea and tea based beverages; ready to drink coffee, iced coffee and coffee based beverages; ready to drink flavored coffee, iced coffee and coffee based beverages.
			32	Energy drinks, sports drinks, fruit juice drinks, other non-alcoholic beverages and other preparations for making beverages; beers.
MONSTER	EU 15334816	12.04.16	30	Coffee, tea, cocoa and artificial coffee; coffee-based beverages; tea-based beverages;

		Not yet registered		chocolate-based beverages; rice; tapioca and sago; flour and preparations made from cereals; bread, pastry and confectionery; ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice.
MONSTER ENERGY	EU 15334766	12 April 2016 Not yet registered	30	Coffee, tea, cocoa and artificial coffee; coffee-based beverages; tea-based beverages; chocolate-based beverages; rice; tapioca and sago; flour and preparations made from cereals; bread, pastry and confectionery; ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice.
MONSTER ENERGY	UK 3254891	06.09.17 02.02.18	29	Dairy-based beverages and milk-based beverages containing coffee, chocolate and/or fruit juice; shakes.
			30	Ready to drink tea, iced tea and tea based beverages; ready to drink flavored tea, iced tea and tea based beverages; ready to drink coffee, iced coffee and coffee based beverages; ready to drink flavored coffee, iced coffee and coffee based beverages; rice; tapioca and sago; flour and preparations made from cereals; bread, pastry and confectionery; ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice.
			32	Energy drinks, sports drinks, fruit juice drinks, other non-alcoholic beverages and other preparations for making beverages; beers.

4) The grounds of opposition are, in summary:

- a) The opponent contends that its marks above and the mark applied for are very similar and that the goods applied for are identical / similar to the goods for which the earlier marks are registered. As such the mark in suit offends against Section 5(2)(b) of the Act.
- b) The opponent also contends that it has a considerable reputation in its marks UK 3254983 & 3254891 in respect of Energy drinks, sports drinks, fruit juice drinks, other non-alcoholic beverages. It states that the similarity between the marks and businesses is such that there is a likelihood of consumers assuming a link. It contends that this will enable the applicant to take unfair advantage of the opponent's reputation and free ride on its investment in promoting and advertising the brand. Use of the mark in suit will dilute and tarnish the reputation of the opponent. It contends that the mark in suit offends against section 5(3) of the Act.
- c) As a result of the use made of the signs MONSTER and MONSTER ENERGY since 2008 the opponent has acquired a substantial amount of goodwill and reputation in its marks in the UK in relation to drinks, such that the average consumer will assume that the goods of the applicant are those of the opponent or linked to them and therefore misrepresentation will occur. The mark in suit therefore offends against section 5(4)(a) of the Act.

5) On 24 October 2018 the applicant filed a counterstatement, basically denying that the goods and marks are similar. The opponent points out that the word MAMEE is the name of a tropical American tree having large edible fruit with sweet yellow flesh. It contends that the distinctive element of its mark is the MAMEE element. It does not put the opponent to proof of use of its marks.

6) Both parties filed evidence. Both parties seek an award of costs in their favour. The matter came to be heard on 13 May 2020 when Ms Collis of Messrs Bird & Bird LLP represented the opponents; the applicants, although professionally represented by Messrs Bayer & Norton Business Consultant Limited did not attend nor provide written submissions.

OPPONENT'S EVIDENCE

7) The opponent filed a witness statement, dated 12 December 2018, by Rodney Cyril Sacks the Chief Executive Officer, a position he has held since 1990. As is usual with this company the statement is a generic version not specifically geared to the instant case as it does not focus upon the marks actually relied upon by the opponent but provides evidence of use of a large number of marks which are not part of the instant case and provides details of the global position which is also

irrelevant to the instant case. He states that his company sold a range of beverages including energy drinks, natural sodas, fruit juices, smoothies, lemonade and ice teas but in 2015 transferred the non-energy drink business to The Coca-Cola company, and so concentrates solely on energy drinks. The company uses three particular marks MONSTER, MONSTER ENERGY and a device element known as the “Claw Icon” (see below).



8) He states that every can of his company’s Monster energy drinks has at least one of these three marks. Sales in the UK during the period September 2012 to June 2017 was Eur €669 million with a market share ranging from 8.8% to 15% over the same period. The opponent also has a significant market share of the energy drinks market throughout continental Europe. He states that the company does not advertise in the traditional manner, preferring to sponsor individuals and events such as Formula One, Moto GP, motocross, speedway, superbikes, WFC, rallying, rallycross, mountain biking, X games and musical events. The opponent provides numerous exhibits which show various sportsmen and women with the opponent’s marks, in virtually all cases the one shown at paragraph 7 above, upon clothing and equipment. He also provides huge amounts of detail about the various events presumably in the mistaken belief that evidence is measured in weight rather than relevance. Suffice to say that most of the sports events are well attended and are receive a combination of coverage by television, social media and press. The opponent also sells merchandising with this claw logo upon it.

APPLICANTS’ EVIDENCE

9) The applicant filed a witness statement, dated 22 June 2019, by Pang Tee Chew, the Chief Executive Officer of the applicant. He states that the brand was chosen to mimic the sound of a child calling to its mother and is usually the first word children learn to say. He continues that “the blue monster is known as Mamee Monster and he symbolizes having fun and represents how enjoyable the snack is”. The blue monster is shown in a number of the exhibits provided, but as the creature is not part of the instant mark these exhibits are of little value. He states that the mark has been used in

the UK since November 2003 on goods including Mamee Monster Noodle Snack Chicken and Mamee Monster Noodle Snack BBQ. He states:

“23. Goods are mainly sold by local distributors. Attached at exhibit PFP08 is an invoice sent to the distributor in UK.”

And:

“24. The value of products branded with the trade mark in UK to date is approximately 1850 thousands pounds.”

10)The exhibits provided are of little use although I note that at page 6 of PFP01 the word MA-MEE in the mark is explained as meaning a double portion in Cantonese. Also exhibit 10 is dated 25 April 2018 and is addressed to a company n Watford and relates to Mamee Noodle snack packs in both chicken and BBQ flavours; the invoice is for £12,765.

11) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

12) The opponent’s evidence states quite categorically that in 2015 the opponent divested itself of all businesses other than energy drinks, and yet it sought to register the marks it relies upon in this opposition after this date for a range of goods other than energy drinks. The applications were therefore possibly made in bad faith. However, since there is no counterclaim of invalidity by the applicant I must accept that the marks are registered and accord them the protection that the law requires. The first ground of opposition is under section 5(2)(b) which reads:

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

(a)

(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.”

13) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an "earlier trade mark" means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

14) The opponent is relying upon its trade marks listed in paragraph 3 above which are clearly earlier trade marks. As none of the opponent’s marks had been registered for five years at the time that the applicant’s mark was published (25 May 2018), the proof of use requirements do not bite.

15) When considering the issue under section 5(2)(b) I take into account the following principles which 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 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.

The average consumer and the nature of the purchasing decision

16) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which these goods are likely to be selected by the average consumer 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:

“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.”

17) The goods at issue in these proceedings are, broadly speaking, snacks and milk beverages. The average consumer for such items will be the public at large including businesses such as hotels, restaurants etc. The goods at issue will typically be offered for sale in retail outlets, such as supermarkets, pubs, restaurants and cafes as well as on the internet including ordering by phone. The initial selection is therefore primarily visual. It is possible that the selection will be discussed with a member of staff or ordered over the phone. The latter, along with personal recommendations, bring aural considerations into play. Considered overall, the selection process for such goods is likely to be predominantly a visual one, although I accept that aural considerations will also play their part. Turning now to the level of attention the average consumer will display when selecting these goods, the average cost of snacks and beverages is relatively low, but the average consumer will want to ensure that whatever they consume is something which they enjoy and meets their requirements. There are a number of people with medical issues surrounding food and drink and increasingly the population is being encouraged to give more thought to the selection of the same, particularly the health aspects of the choice. **To my mind, the average consumer for such goods will be likely to pay a medium degree of attention to the selection of the goods at issue.**

Comparison of goods

18) 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”.

19) 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.

20) In carrying out the comparison of the goods and services I must also consider whether they might be considered complementary. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criteria capable of being the sole basis for the existence of

similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court 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”.

21) Whilst in *Sanco SA v OHIM*, Case T-249/11, the General Court indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.

22) I note that in respect of the opponent’s specifications, the class 29 and class 32 specifications of UK3254938 and UK 3254891 are identical. The class 30 specifications of these two marks differ only in that UK 3254891 has the additional items “rice; tapioca and sago; flour and preparations made from cereals; bread, pastry and confectionery; ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice.” Whilst the class 30 specifications of EU 15334816 and EU 15334766 are identical. As the UK marks are registered whereas the EU marks are not yet registered, I shall firstly carry out a comparison of the applicant’s goods to those of the opponent’s registered marks. The specifications of the two parties are as follows:

Applicants' specification	Opponent's specification
<p>In Class 29: Snacks of edible seaweed; Dried fruit-based snacks; Fruit-based snack food; Nut-based snack foods; Potato-based snack foods; Vegetable-based snack foods; Potato snacks; Fish crackers; Milk beverages, milk predominating; Milk shakes.</p>	<p>3254938 & 3254891: Class 29. Dairy-based beverages and milk-based beverages containing coffee, chocolate and/or fruit juice; milk shakes.</p>
<p>In Class 30: Wheat-based snack foods; Cereal-based snack food; Grain-based snack foods; Biscuits; Instant noodles.</p>	<p>3254938 & 3254891: Class 30: Ready to drink tea, iced tea and tea based beverages; ready to drink flavored tea, iced tea and tea based beverages; ready to drink coffee, iced coffee and coffee based beverages; ready to drink flavored coffee, iced coffee and coffee based beverages.</p> <p>3254891: Class 30: rice; tapioca and sago; flour and preparations made from cereals; bread, pastry and confectionery; ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice.”</p> <p>3254938 & 3254891: Class 32: Energy drinks, sports drinks, fruit juice drinks, other non-alcoholic beverages and other preparations for making beverages; beers.</p>

23) Clearly, the terms “Dairy-based beverages and milk-based beverages” in the opponent’s class 29 specification encompass the following terms in the applicant’s class 29 specification “Milk beverages, milk predominating; Milk shakes”. The balance of the applicant’s class 29 specification all relate to food items not beverages, nor are any of the foods related to milk products.

24) The opponent contended that the remaining goods are all “convenience/snack products that are frequently purchased and consumed on-the-go, as a treat or pick-me up or when recovering from physical exercise. These goods all share trade channels and there is also a high level of

complementarity between the Applicant's snack food products and the Opponent's beverage products". To my mind, these are not similar to the opponent's class 29 milk-based beverages, as they do not fulfil the same purpose, one being a food the other a drink, their physical properties are different, they are found in different parts of a shop and are not in competition with each other. For the same reasons the applicant's remaining class 29 foods and its class 30 specification are **not similar** to the shared class 30 or 32 goods of marks 3254938 & 3254891 as all these shared goods are beverages.

25) I am therefore left with comparing the class 30 goods for which only trade mark 3254891 is registered. For ease of reference I am here comparing the following:

<p>Applicant's goods Class 29: Snacks of edible seaweed; Dried fruit-based snacks; Fruit-based snack food; Nut-based snack foods; Potato-based snack foods; Vegetable-based snack foods; Potato snacks; Fish crackers; Class 30: Wheat-based snack foods; Cereal-based snack food; Grain-based snack foods; Biscuits; Instant noodles.</p>	<p>Opponent's 3254891: Class 30: rice; tapioca and sago; flour and preparations made from cereals; bread, pastry and confectionery; ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice.</p>
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26) The opponent contends that the term "*confectionery*" in its specification incorporates "*Biscuits*" in the applicant's specification. It also runs the submissions re "snacks" as set out in paragraph 24 above.

27) To my mind, it is not obvious that the applicant's class 29 and 30 goods are similar to the opponent's goods. Many of the applicant's snacks are based upon fruit, nuts and vegetables none of which appear in the opponent's specifications for marks 3254938 & 3254891. I do not accept that snacks, which are eaten, are similar in any trade mark sense to drinks as proposed by the opponent. Nor do I accept that the opponent's goods could be deemed as "snacks". These goods of the two parties are NOT similar.

28) I next turn to the goods specification for which the opponent has sought registration in the EU under its applications EU 15334816 & EU 15334766 but has not yet been granted. The identical

specifications are very similar to those of the UK marks already compared and the opponent does not succeed any further than has already been set out. The overall situation is:

- the applicants following goods in class 29 are not similar, or complementary to, any of the opponent's goods: "Snacks of edible seaweed; Dried fruit-based snacks; Fruit-based snack food; Nut-based snack foods; Potato-based snack foods; Vegetable-based snack foods; Potato snacks; Fish crackers".
- the following items in class 29 applied for are identical to the opponent's class 29 goods under marks 3254938 & 3254891: "Milk beverages, milk predominating; Milk shakes".
- the applicants following goods in class 30 are not similar, or complementary to, any of the opponent's goods: "Wheat-based snack foods; Cereal-based snack food; Grain-based snack foods; Biscuits; Instant noodles


Comparison of trade marks

29) 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."

30) It would be wrong, therefore, to artificially dissect the trade 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. I note that the opponent relies upon four registrations / applications which consist of the two marks

MONSTER (UK 3254983 & EU 15334816) and MONSTER ENERGY (UK 3254891 & EU 15334766). As the only marks registered are the UK marks I shall compare only these two marks. The trade marks to be compared are:

Opponents' trade marks	Applicants' trade mark
<p>UK 3254983: MONSTER</p> <p>UK 3254891: MONSTER ENERGY</p>	 <p>The logo consists of the word 'MAMEE' in a stylized, rounded font inside a horizontal oval with a dotted border. Below it, the word 'MONSTER' is written in a large, bold, 3D block font with a shadow effect.</p>

31) The opponent submitted that the term MONSTER is visually dominant in the mark in suit as it is larger than the initial element MAMEE and "is presented in a stylised 3D typeface with shading further emphasising, and drawing attention to, this element within the mark as a whole. The MAMEE element within this mark is much smaller and less prominent". The opponent also contended that the only difference aurally is the presence of the word MAMEE in the mark in suit and that "the marks also enjoy a high level of conceptual similarity, again due to the common element MONSTER".

32) For its part the applicant presented a number of different explanations as to the meaning of the word MAMEE in its mark. In the counterstatement it was claimed that the word meant "*a tropical American tree having large edible red fruit with sweet yellow flesh*". However, in its witness statement it was stated that the word is a derivative of the word "mother" and "*is the first word most of us learn to say*". But in the article provided at Exhibit PFP-01 it states that ma-mee is the Cantonese term for a double portion. The applicant contends that the words MONSTER and ENERGY are both distinct and dominant elements, meaning a large, ugly and frightening imaginary creature, and strength and vitality respectively.

33) The mark in suit consists of two elements, neither of which, to my mind, dominates the other. Indeed I believe that the words form a unit which provides a conceptual image of a mother monster. I find the explanations of the meaning of the word MAMEE by the applicant utterly unconvincing, not least because it could not decide which version it wished to rely upon. In my opinion, the average UK consumer will not be aware that the word relates to a tree found in the Americas, nor will they be fluent enough in Cantonese to know it means a double portion. The applicant has failed to show any evidence which contradicts my view on this issue. I must rely upon the impression the mark initially made upon myself, and I immediately thought it was the term for mother than one hears in various

parts of the UK. It is commonplace in Wales for someone to refer to their “mam” rather than mother or mum, and children often use the term mamee or mammy which sound identical.

34) Turning to the opponent’s marks, when the average consumer sees the term MONSTER it is most likely to suggest, obviously playfully, that the contents either come from a large, ugly, and frightening imaginary creature, will turn the consumer into the same or perhaps are the food and drink favoured by monsters. The opponent’s other marks consist of the two words MONSTER ENERGY, which might suggest that the food and drink items under consideration in the instant case will provide the consumer with the energy of a monster, or more simply a large amount of energy.

35) Comparing the instant mark to the opponent’s mark MONSTER, the opponent’s mark appears in the mark in suit in full only qualified by the term MAMEE which appears first in the mark. They have a medium degree of visual and aural similarity, whilst conceptually the opponent’s mark suggests a monster of indeterminate sex, whereas the mark in suit is clearly a mother monster. Overall, there is at least a medium degree of similarity between the marks.

36) Turning to compare the opponent’s second mark MONSTER ENERGY, with the mark in suit. Here the same comments as in the previous paragraph apply except that there is a greater level of dissimilarity due to the presence of the second word in the opponent’s mark even though it will be seen to allude to one of the effects/qualities of the goods in question. Overall there is a low to medium degree of similarity between the marks.

Distinctive character of the earlier trade mark

37) 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).”

38) In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.’

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask ‘in what does the distinctive character of the earlier mark lie?’ Only after that has been done can a proper assessment of the likelihood of confusion be carried out”.

39) Earlier in this decision I set out the way that the opponent’s marks would be perceived. Whilst the term ENERGY has an obvious meaning as far as the goods in the instant case is concerned the word MONSTER has no actual meaning in relation to food and drinks. Both of the opponent’s marks are **inherently distinctive to an average degree**. Whilst the opponent has shown use of a number of marks as it only deals with energy drinks all of the use shown must be viewed as being in relation to

these goods solely. Despite my criticisms of the opponent's evidence it is clear that the opponent has, under the term MONSTER considerable reputation and therefore can benefit from **an enhanced distinctiveness through use for energy drinks.**

Likelihood of confusion

40) In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade mark as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision, I concluded that:

- the average consumer for the goods is the general public including businesses who will select the goods by predominantly visual means, although not discounting aural considerations and that the degree of care and attention they pay will vary depending upon the cost of said goods. They are, however, likely to pay a medium degree of attention to the selection of such goods.
- Overall, there is at least a medium degree of similarity between the opponent's mark 3254983 MONSTER and the mark in suit. In respect of the opponent's mark 3254891 MONSTER ENERGY overall there is a low to medium degree of similarity between it and the mark in suit.
- both of the opponent's marks are inherently distinctive to an average degree, and both can benefit from enhanced distinctiveness through use but only in relation to energy drinks.
- The following goods are identical to those of the opponent:

In Class 29: Milk beverages, milk predominating; Milk shakes.

- The following goods applied for are not similar to those of the opponent:

In Class 29: Snacks of edible seaweed; Dried fruit-based snacks; Fruit-based snack food; Nut-based snack foods; Potato-based snack foods; Vegetable-based snack foods; Potato snacks; Fish crackers;

In Class 30: Wheat-based snack foods; Cereal-based snack food; Grain-based snack foods; Biscuits; Instant noodles.

41) I note that 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”.

42) A similar view was also expressed in *Waterford Wedgwood plc v OHIM – C-398/07 P* (CJEU). Having found that the some of the goods applied for are not in any way similar to the goods of the opponent then the ground of opposition must fail in relation to those goods identified above in the last bullet point of paragraph 40.

43) Taking into account all of the factors identified earlier, and allowing for the concept of imperfect recollection, there is a likelihood of consumers being confused into believing that the goods identified as being identical and applied for under the mark in suit and provided by the applicant are those of the opponent or provided by some undertaking linked to it. **The opposition under Section 5(2) (b) therefore succeeds in relation to the following goods:**

In Class 29: Milk beverages, milk predominating; Milk shakes.

44) I next turn to the ground of opposition under section 5(3) which reads:

“5. (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.”

45) The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Adidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 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.

(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*).

46) The first hurdle is the issue of reputation as set out at points (a) and (b) above. The onus is upon the opponent to prove that its trade marks enjoy a reputation or public recognition. In the instant case I found earlier in this decision that the opponent has reputation in respect of energy drinks in respect of its marks MONSTER and MONSTER ENERGY.

47) I next have to consider whether the public will make a link. In Case C-408/01, *Adidas-Salomon*, the CJEU held that:

“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).”

48) The level of similarity required for the public to make a link between the marks for the purposes of 5(3) may be less than the level of similarity required to create a likelihood of confusion. In *Intra-Press SAS v OHIM*, joined cases C-581/13P & C-582/13P, the CJEU stated (at paragraph 72 of its judgment) that:

“The Court has consistently held that the degree of similarity required under Article 8(1)(b) of Regulation No 40/94, on the one hand, and Article 8(5) of that regulation, on the other, is different. Whereas the implementation of the protection provided for under Article 8(1)(b) of Regulation No 40/94 is conditional upon a finding of a degree of similarity between the marks at issue so that there exists a likelihood of confusion between them on the part of the relevant section of the public, the existence of such a likelihood is not necessary for the protection conferred by Article 8(5) of that regulation. Accordingly, the types of injury referred to in Article 8(5) of Regulation No 40/94 may be the consequence of a lesser degree of similarity between the earlier and the later marks, provided that it is sufficient for the relevant section of the public to make a connection between those marks, that is to say, to establish a link between them (see judgment in *Ferrero v OHMI*, C-552/09 P, EU:C:2011:177, paragraph 53 and the case-law cited).”

49) Earlier in this decision I found that the opponent’s mark 3254983 MONSTER is similar to at least a medium degree to the mark sought to be registered by the applicant. However, under this ground of opposition the opponent can only rely upon energy drinks which earlier in this decision (paragraph 24) I found were not similar to any of the goods applied for by the applicant. This dissimilarity is not fatal

to the opponent's case but is a factor I have to take into account in reaching my conclusion. At the hearing the opponent contended that the applicant's products are typically designed to boost energy and are seen as "healthy" snacks and so would infringe upon its reputation. The opponent has provided no evidence to back up this contention, and there is no evidence that snacks made from seaweed, for example, are particularly useful in boosting ones energy levels, although I accept that seaweed is a rich source of iron. Nor has the opponent provided evidence to suggest that it is common in trade for energy drinks providers to also provide snacks (or any food items). The products are in different places in supermarkets, and, in my view serve different purposes. To my mind, despite the fact that the users are the same and the opponent's reputation, if a member of the public saw the applicant's mark they would not immediately make the link to the opponent. **The ground of opposition under section 5(3) fails in relation to all of the goods applied for by the applicant:**

50) The last ground of opposition is under section 5(4)(a) which reads:

"5.(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, or

(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."

51) 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)."

52) Whilst 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.”

53) The opponent is relying upon its signs MONSTER and MONSTER ENERGY which have been used in relation to energy drinks in the UK and continental Europe. Under this ground there is no necessity for the parties to be engaged in the same field of activity Earlier in this decision I found that use of the mark in suit, actual or on a fair and notional basis, on the goods in class 29 and 30 shown below would not result in confusion with the opponent’s marks. Accordingly, it seems to me that the necessary misrepresentation required by the tort of passing off will not occur. **The opposition under Section 5(4)(a) of the Act must fail in relation to all the goods applied for by the applicant.**

54) At the hearing, the opponent accepted that its case under this ground of opposition was no stronger than its 5(2)(b) case and that the outcome of both grounds would be the same.

CONCLUSION

55) The opposition has been partly successful and the following goods will be excluded from the application:

Class 29: Milk beverages, milk predominating; Milk shakes.

56) However, the opposition failed under all grounds in relation to the following goods which will therefore continue to registration:

Class 29: Snacks of edible seaweed; Dried fruit-based snacks; Fruit-based snack food; Nut-based snack foods; Potato-based snack foods; Vegetable-based snack foods; Potato snacks; Fish crackers.

Class 30: Wheat-based snack foods; Cereal-based snack food; Grain-based snack foods; Biscuits. Instant noodles.

COSTS

57) As the opponent has been partly successful it is entitled to a contribution towards its costs. However I have reduced the amount awarded as the evidence filed by the opponent was not strictly focussed upon the instant case which large amounts of extraneous material.

Preparing a statement and considering the other side's statement	£300
Expenses	£200
Preparing evidence / considering and commenting upon the applicant's evidence	£200
Attendance at a hearing	£500
TOTAL	£1,200

58) I order Pacific Food Products SDN BHD to pay Monster Energy Company the sum of £1,200. This sum is to be paid within two months 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 28th day of May 2020

George W Salthouse
For the Registrar,
the Comptroller-General