

O/850/21

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3491600
AND THE REQUEST BY JINSHAN FOOD CO. LTD.
TO REGISTER THE TRADE MARK**



IN CLASSES 16, 32 AND 35

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER NO. 421425
BY OSOTSPA PUBLIC COMPANY LIMITED**

Background and pleadings

1. On 20 May 2020, Jinshan Food Co. Ltd. (“**the Applicant**”) applied to register the trade mark shown on the front page of this decision as a UK trade mark in respect of the following goods and services:

Class 16: *Paper; Copying paper [stationery]; Hygienic paper; Clips for offices; Printed matter; Posters; Lithographic works of art; Conical paper bags; Cardboard cartons; Bags [envelopes, pouches] of paper or plastics, for packaging.*

Class 32: *Beer; Ginger beer; Ginger ale; Malt beer; Beer wort; Extracts of hops for making beer; Malt wort; Energy drinks; Non-alcoholic fruit juice beverages; Vegetable drinks; Mineral water [beverages].*

Class 35: *Commercial administration of the licensing of the goods and services of others; Negotiation and conclusion of commercial transactions for third parties; Import-export agency services; Presentation of goods on communication media, for retail purposes; Provision of an online marketplace for buyers and sellers of goods and services; Demonstration of goods; Procurement services for others [purchasing goods and services for other businesses]; Marketing research; Advertising; Sales promotion for others.*

2. The application was published for opposition purposes in the Trade Marks Journal on 12 June 2020. It is opposed by Osotspa Public Company Limited, (“**the Opponent**”) under sections 3(6), 5(1), 5(2)(a), 5(2)(b) and 5(4)(b) of the Trade Marks Act (“**the Act**”).

3. Under sections 5(1), 5(2)(a) and 5(2)(b) the Opponent opposes the Applicant’s goods in Class 32 (only) and relies on the following two marks, which I will refer to as Mark A and Mark B:

Mark A (series of 2 marks)



UK trade mark number: 3075222

Filing date: 2 October 2014

Registration date: 2 January 2015

Class 32: Energy drinks; soft drinks

Mark B



EU trade mark (EUTM) number: 9671033¹

Filing date: 9 January 2011

Registration date: 1 June 2011

Class 32: Energy drinks; soft drinks

4. An “earlier trade mark” is defined in section 6(1) of the Act as:

“(a) a registered trade mark, international trade mark (UK), a European Union trade mark or international trade mark (EC) 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”

¹ EUTMs are still relevant in these proceedings given the impact of the transitional provisions of the Trade Marks (Amendment etc.) (EU Exit) Regulations 2019 – see Tribunal Practice Notice 2/2020 for further information.

5. Both of the trade marks relied upon by the Opponent have filing dates that predate that of the Applicant's trade mark. The Opponent's marks are therefore "earlier marks" under the Act.

6. Since the Opponent's marks had been registered for more than five years when the contested mark was applied for, they are subject to the use provisions under section 6A of the Act. The Opponent duly provided statements of use in respect of both of its marks. The Applicant did not request that the Opponent provide evidence that it has used its marks and therefore the Opponent is entitled to rely on all of the goods listed under paragraph 3.

The Opponent's case

7. In respect of Mark A, the Opponent opposes the Applicant's mark under sections 5(1), 5(2)(a) and 5(2)(b). In its statement of grounds, the Opponent submits that the Applicant's mark is an "exact copy" of the Opponent's mark and goes on to describe the similarities between marks as follows:

"...the two marks share the same essential look and composition of the capital letter M in a 6 pointed star badge, combined with the letter and numeral combination M-150, as well as the same font and shading."

8. In respect of Mark B, the Opponent opposes the Applicant's mark under section 5(2)(b). In its statement of grounds, the Opponent applies the same reasoning quoted above in terms of similarity of the marks. The Opponent also submits that the words in Mark B – "DEVOTION, COURAGE, SACRIFICE" – "play an insignificant role within the Opponent's earlier mark, and would essentially be disregarded."

9. The Opponent's goods relied upon under Marks A and B are the same and the Opponent provides a table setting out which of the Applicant's goods it considers are identical, or similar to the goods in its earlier marks. The Opponent defines the average consumer of the goods in Class 32 as the general public, who will pay a low level of attention when purchasing such low-price goods.

10. Under section 5(4)(b), the Opponent submits that it is the owner of the copyright subsisting in the logo below:



11. The Opponent indicates that the logo was created for the Opponent's predecessor company, Osotspa Co. Ltd. It was created by a designer, Mr Charlin Yamapai, a Thai national who was resident in Thailand at the time he created the logo. Mr Yamapai transferred the copyright to Osotspa Co. Ltd via an assignment release document, with Osotspa Co. Ltd filing the logo as a Thai trade mark in October 2012 and using the logo in the public domain in the same month.

12. The Opponent submits that the Application is an exact greyscale copy of the logo created by Mr Yamapai and that it is simply impossible for another person to have arrived at the same design. The Opponent also indicates that it has never licensed or authorised the Applicant to use its copyrighted work.

13. Under section 3(6) the Opponent submits that:

"...the Applicant filed its mark in the full knowledge of the existence of the Opponent's earlier registrations and its use of its marks in China and elsewhere, such that the filing of this application is a deliberate attempt to disrupt the Opponent's business in the United Kingdom without and justification to do so."

14. The Opponent asserts that the filing of the application amounts to *"dealings which fall short of the standards of behaviour observed by reasonable and experienced men in the particular area being examined."*

The Applicant's case

15. The Applicant disagrees with all of the grounds put forward by the Opponent. In respect of Mark B, the Applicant submits that it is wrong to disregard the words “*DEVOTION, COURAGE, SACRIFICE*” in the comparison of the marks and contends that consumers are unlikely to pay attention to the figurative elements in the mark, with the verbal elements being dominant when assessing likelihood of confusion. The Applicant also refers to the different background and colour composition in Mark B as compared to its mark. In respect of Mark A, the Applicant contests that the marks are identical and refers to the following differences between its mark and the Opponent's UK trade mark:

“...the sign is of a different colour and shading. The sign is black, grey and white, while the UK trade mark is grey. For instance, the left part of the letter “M” is of a white colour on the left and grey on the right, while the “M” letter of the UK trade mark is completely grey.”

16. In respect of the claim under section 5(4)(b), the Applicant submits that it is not clear when the logo was created and so it cannot be ruled out that the 70-year period after the death of the creator has not lapsed. The Applicant also contends that it has identified use of the Opponent's logo prior to October 2012, with a website address of a forum being provided. The Applicant has not filed evidence in these proceedings and so it is not possible to verify the Applicant's claim in this respect.

17. In respect of the claim under section 3(6), the Applicant denies that its mark was filed in bad faith and submits that the Opponent must prove knowledge of the Applicant. The Applicant states that it has no business relationship with the Opponent and was not aware of the Opponent's earlier marks. The Applicant also submits that identity or similarity of signs is not in itself sufficient to show bad faith.

Representation and papers filed

18. In these proceedings, the Opponent is represented by Baron Warren Redfern; the Applicant is represented by Marcin Barczyk, attorney at law at the firm kbz. During the

evidence rounds, the Opponent filed evidence in chief. The Applicant did not file evidence. Following the expiry of the deadline for the Applicant to file evidence, the Opponent sought leave to file further evidence in respect of the section 5(4)(b) claim. The Opponent explained that this further evidence had not been available at the time of filing its evidence in chief. This second bundle of evidence was admitted into the proceedings and a further evidence round was set. The Opponent filed supplementary submissions with its second bundle of evidence. The Applicant did not file any evidence or submissions, bringing the evidence rounds to a close.

19. No hearing was requested and neither party filed submissions in lieu of a hearing. This decision is taken following a careful perusal of the papers.

The Evidence

The Opponent's first evidence in chief

20. The Opponent's first filed evidence in chief comprises the witness statement of Mr James Maxwell Stacey, Certified Trade Mark Attorney and partner at Baron Warren Redfern, dated 3 March 2021. Mr Stacey introduces Exhibits MS01 to MS08. The evidence shows the trade marks owned internationally by the Opponent and shows its M-150 brand to have received awards from the World Branding Awards in 2017 and 2019. Included in the publications associated with the award ceremony is some background about the brand, including that M-150 is the most popular energy drink in Thailand, existing in the market for over 30 years and being a sponsor of Thai boxing and supporter of Thai football. Exhibit MS03 confirms the re-registration of the Opponent as a public company which changed the company from Osotspa Co. Ltd to Osotspa Public Company Limited.

The Opponent's second evidence in chief

21. The Opponent's second filed evidence comprises the witness statement of Ms Caroline Ruvimbo Nyahasha, Certified Trade Mark Attorney and associate at Baron Warren Redfern, dated 1 July 2021. Ms Nyahasha introduces Exhibits CN01 to CN04. The focus of this evidence is to prove the Opponent's ownership of the copyright in

the sign relied upon under section 5(4)(b). The evidence includes a statement from Mr Yamapai, creator of the logo, confirming that he was commissioned to create it and transferred the copyright in it upon payment of the agreed design fee by the Opponent. Also provided is a release statement from Mr Yamapai's employer, Centris Academy, confirming the release of the copyright and payment of the fee. Lastly, is a copy of the entrustment agreement assigning the copyright to Osotspa Public Limited Company.

22. I note that in the Opponent's supplementary submissions, and in the schedule of copyright works, the logo in which copyright is claimed is shown in black, grey and white, rather than in the red and yellow colour scheme shown in the Opponent's statement of grounds (and reproduced at paragraph 10 of this decision). I will address the issue of the colours below.

Decision

23. In respect of the UK's departure from the EU, it should be noted that section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the Transition Period. The provisions of the Trade Marks Act 1994 relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case law of EU courts.

Opposition under section 5(4)(b)

24. It is convenient to start by examining the opposition to the Applicant's mark under section 5(4)(b) which states:

"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-

[...]

(b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) or (aa) above, in particular

by virtue of the law of copyright, or the law relating to industrial property rights.

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.”

25. In deciding the Opponent’s case under section 5(4)(b) of the Act, I must address the following questions:

- (i) Is the contested mark a work under the Copyright, Designs and Patents Act 1988 (“CDPA”) and therefore capable of being protected by copyright?
- (ii) Who is the owner of the work and when was it created?
- (iii) Does the work meet the qualification for copyright protection?
- (iv) Would use of the contested mark constitute an infringement of any copyright?

Whether the contested mark is a work under the CDPA

26. Section 1 of the CDPA states that:

“(1) Copyright is a property right which subsists in accordance with this Part in the following descriptions of work –

- (a) original literary, dramatic, musical or artistic works,*
- (b) sound recordings, films or broadcasts, and*
- (c) the typographical arrangement of published editions”*

27. Section 4 of the CDPA is as follows:

“(1) In this Part “artistic work” means –

- (a) a graphic work, photograph, sculpture or collage, irrespective of artistic quality,*
- (b) a work of architecture being a building or a model for a building,*
- or (c) a work of artistic craftsmanship.*

(2) *In this Part –*

[...]

"graphic work" includes –

(a) any painting, drawing, diagram, map, chart or plan, and

(b) any engraving, etching, lithograph, woodcut or similar work;

[...]

28. Taking account of the above, I consider that the contested mark (and the Opponent's logo) is a graphic work and constitutes an artistic work under the CDPA.

Ownership of the work and its creation

29. Ms Nyahasha's witness statement introduces evidence to show that in 2012 Mr Yamapai, a designer and Managing Director of Centris Corporation Ltd created the logo for Osotspa Co. Ltd (now Osotspa Public Company Limited with the re-registration from private to public company shown in Exhibit MS03). Below is the logo reproduced in the schedule of copyright works provided by Mr Yamapai:



30. At Exhibit CN03 and CN04, the Opponent provides the following release letter from Centris Corporation Ltd and entrustment agreement, signed by Mr Yamapai and the Opponent. I note that neither of the documents is dated but that Mr Yamapai has confirmed in his letter that he was commissioned to create the works in 2012 and they were transferred to the Opponent as of 1 September 2012:

² Exhibit CN02

Osotspa Public Company Limited
348 Ramkhamhaeng Road
Huamark, Bangkok, Bangkok 10240
Thailand

Date:

We, the undersigned having designed a new logo and associated packing in respect of the M-150 Logo. The main characters of these packaging design consists of the letter M positioned in the center of a six pointed badge, with the badge being positioned over the stylized letter and numeral combination -150 as shown in the sheet attached.

We, hereby release all the design copyright to Osotspa Public Company Limited for the sole use on the local and international markets.

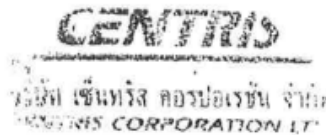
The enclosed design duly signed by the designer Mr. Charlin Yamapai act as sole reference to the design.

The date of this Release Letter of Design Copyright coincides with the payment of the agreed "design fee" of 400,000 Baht (Four Hundred Thousand Baht).

For and on Behalf of
Centris Corporation Limited



Charlin Yamapai, Director



ENTRUSTMENT AGREEMENT

This ENTRUSTMENT AGREEMENT (this "**Agreement**") is dated as of _____, by and between **Mr. Charlin Yamapai** ("**Assignor**") a Thai nationality, residing at 2421 Moo 12, Ladprao Road, Wangthonglang, Bangkok 10310, Thailand and **OSOTSPA PUBLIC COMPANY LIMITED** ("**Assignee**") a company registered and existing under the laws of Thailand, having its registered office at 348 Ramkhamhaeng Road, Huamak, Bangkok 10240, Thailand (collectively referred to as the "**Parties**").

WHEREAS, under this Agreement Assignor provides design work for Assignee, including designing the **M-150 Star Device Logo** (the "**Design**");

WHEREAS, in order to facilitate recordation and registration of Assignee's rights in the Design, the Parties have agreed to enter into this Agreement:

Assignor hereby permanently assigns and transfers to Assignee all of Assignor's worldwide rights, title, and interests in and to the Design, including without limitation all copyright rights and other intellectual property and proprietary rights therein, whether registered or unregistered, and any and all legal actions and rights and remedies at law or in equity for past, present, or future infringements, misappropriations, or other violations of the copyright and other intellectual property and proprietary rights in the Design, including without limitation the right to sue for, collect, and retain all damages, profits, proceeds, and all other remedies associated therewith.

Assignor agrees to execute and have executed all documents, instruments, and papers and to perform all acts as deemed reasonably necessary by Assignee to perfect in Assignee the foregoing rights, title, and interests. Assignor hereby authorizes and requests any official throughout the world whose duty it is to register and record ownership in copyright or other intellectual property registrations and applications, to record Assignee as the owner of any and all rights in the Design.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives:

Assignor:-

By:

Name

Mr. Charlin Yamapai

Assignee:-

OSOTSPA PUBLIC COMPANY LIMITED

By:

Name:

Title:

Mr. Pratharn Chaiprasit / Mr. Tasharin Osathanugrah
Authorized Directors



31. From Mr Stacey's witness statement, I can see that later in 2012, trade mark



applications for the logo were made in Thailand in October and China in December.

32. Based on the evidence before me, I am satisfied that the logo was created in 2012 and that the Opponent is the owner of the logo, having had the rights in it transferred to it, upon payment of a fee to the designer (the creator and first owner of the copyright). I am also satisfied that the originality requirement under the section 1 of the CDPA is met.

Whether the work meets the criteria for copyright protection

33. Section 153 of the CDPA states:

“(1) Copyright does not subsist in a work unless the qualification requirements of this Chapter are satisfied as regards –

(a) the author (see section 154), or

(b) the country in which the work was first published (see section 155), or

[...]”

34. Section 22 of the Intellectual Property Act 2014 states that section 159 of the CDPA should be read as meaning that:

“(1) Where a country is a party to the Berne Convention or a member of the World Trade Organisation, this Part, so far as it relates to literary, dramatic, musical and artistic works, films and typographical arrangements of published editions –

(a) applies in relation to a citizen or subject of that country or a person domiciled or resident there as it applies in relation to a

person who is a British citizen or is domiciled or resident in the United Kingdom’.

35. The Opponent, in its statement of grounds states that the designer of the logo, Mr Yamapai is a Thai national, resident in Bangkok at the time of the creation of the logo. In support of these statements, Exhibit CN01 consists of a copy of Mr Yamapai’s Thai national ID card and I can see from the evidence that Mr Yamapai’s address and that of Centris Corporation Ltd are in Bangkok. As Thailand is a party to the Berne Convention for the Protection of Literary and Artistic Works, the Opponent has the same rights in the UK as would a British national. A British national would be entitled to protect the copyright in the work by virtue of section 154 of the CDPA. The Opponent’s copyright in the work is therefore enforceable in the UK under the CDPA.

Whether use of the mark would constitute an infringement of the copyright in the work

36. Having established that the Opponent’s logo qualifies as a copyright work, I must now consider whether the contested sign would be an infringement of that copyright. Section 17 of the CDPA states:

“(1) The copying of the work is an act restricted by the copyright in every description of copyright work; and references in this Part to copying and copies shall be construed as follows.

(2) Copying in relation to a literary, dramatic, musical or artistic work means reproducing the work in any material form.”

37. In *Designers Guild v Russell Williams (Textiles) Ltd (t/a Washington DC)*³, Lord Millett set out the approach to assessing whether artistic copyright has been infringed at [2425]-[2426]:

“The first step in an action for infringement of artistic copyright is to identify those features of the defendant’s design which the plaintiff alleges have been copied

³ [2000] 1 WLR 2416



from the copyright work. The court undertakes a visual comparison of the two designs, noting the similarities and the differences. The purpose of the examination is not to see whether the overall appearance of the two designs is similar, but to judge whether the particular similarities relied on are sufficiently close, numerous or extensive to be more likely to be the result of copying than of coincidence. It is at this stage that similarities may be disregarded because they are commonplace, unoriginal, or consist of general ideas. If the plaintiff demonstrates sufficient similarity, not in the works as a whole but in the features which he alleges have been copied, and establishes that the defendant had prior access to the copyright work, the burden passes to the defendant to satisfy the judge that, despite the similarities, they did not result from copying.

[...]

*Once the judge has found that the defendants' design incorporates features taken from the copyright work, the question is whether what has been taken constitutes all or a substantial part of the copyright work. This is a matter of impression, for whether the part taken is substantial must be determined by its quality rather than its quantity. It depends upon its importance to the copyright work. It does not depend upon its importance to the defendants' work, as I have already pointed out. The pirated part is considered on its own (see *Ladbroke (Football) Ltd. v. William Hill (Football) Ltd.* [1964] 1 W.L.R. 273, 293 per Lord Pearce) and its importance to the copyright work assessed. There is no need to look at the infringing work for this purpose.*

38. As I noted at my paragraph 22 above, the logo in which copyright is claimed is shown in the documents before me in black, grey and white and also in red and yellow. In line with Lord Millett's comments set out above, it is the similarities and differences that I must first assess before deciding whether the similarities are *sufficiently close, numerous or extensive to be more likely to be the result of copying than of coincidence*. I therefore conclude that the colour scheme of the copyright work is not decisive in this assessment.

39. Below are reproduced the Opponent’s logo, taken from the schedule of copyright work provided in Exhibit CN02, the colour version taken from the statement of grounds and the contested trade mark:

Copyright work	Contested mark
	

40. The copyright work and the contested mark contain a near-identical image of a sheriff’s badge with six points and with the capital letter “M” in the centre. Beneath the sheriff’s badge in both images are the letter and numbers “M-150”, separated by a hyphen and appearing in the same font. The main difference that can be seen is the faint line around the outline of the badge, creating a white border in the contested mark. Other than this, the contested mark appears to be “stretched” slightly widthways, which can be noticed in the marginally wider letter “M’s”, numeral “0” and badge. Finally, in the colour version of the copyright work there is some shading along the outer edge of the badge, between its 6 points. These are not seen in the contested mark. What is clear in the colour version of the copyright work is the shadow across the right side of the badge, which is also seen in the contested mark.

41. I find that the striking similarities between the logo and the contested mark are not coincidental and that this is the case when considering both the black and white and red and yellow versions of the logo. By virtue of the trade mark applications made by the Opponent particularly for the earlier UK Mark A, it has been shown that the Applicant would have had prior access to the copyright work. As such, and in line with

Lord Millett's judgment, it is for the Applicant to show that the similarities did not result from copying.

42. The Applicant has not provided any evidence or arguments to show that the similarities between its mark and the copyright work did not result from copying. Indeed, the Applicant's sole argument in respect of section 5(4)(b) concerns the date of creation of the logo. The Applicant contends that the mark was in use in 2006, but does not provide evidence of this. The Applicant also submits that as the date of creation is not clear, it cannot be ruled out that the period of copyright protection has passed. Subsequent to these submissions being made in the Applicant's counterstatement, the Opponent provided evidence of when the logo was created. The Applicant has had the opportunity to file evidence and submissions in response to this, but has chosen not to do so.

43. Taking account of the above, I find the Applicant's mark to constitute a very substantial part of the Opponent's copyright work. This being the case, use of the Applicant's trade mark would be prevented in the UK under the law of copyright, and so the section 5(4)(b) ground succeeds in its entirety.

44. For the sake of completeness, I shall move on to consider the Opponent's other grounds.

Opposition under section 5(1), 5(2)(a) and 5(2)(b)

45. Section 5(1), 5(2)(a) and 5(2)(b) of the Act state:

"5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

(2) A trade mark shall not be registered if because –

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or

(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.”

My approach and a preliminary matter

46. My assessment of these grounds of the opposition will focus on the Opponent's Mark A, specifically, the grey and white mark out of the series of two. I have chosen this approach as the marks registered under Mark A feature the same font as the contested mark and exclude the additional text and background lines featured in Mark B, which are not present in the contested mark. Also, the colour scheme in the grey and white mark in the series is closer to that in the Applicant's mark. Moreover, since the goods registered under both Marks A and B are the same, it is legitimate to focus on Mark A purely on account of the marks comparison rationale that I have here indicated.

47. It is noted that the Opponent's Form TM7 shows the first mark in the series of Mark A (the colour version) in red and white, instead of the red and yellow colours in which it is registered. Given that my approach is to focus on the Opponent's grey and white mark under Mark A, I do not consider the error in the Form TM7 to have a material impact on these proceedings and the Applicant has not been disadvantaged by that discrepancy. I also note that the correct version of the mark appears in the statement of grounds accompanying the TM7 and Annex 1 to the same document, which shows the record of the Opponent's mark on the UK IPO website.



Section 5(1) and 5(2)(a)

48. It is a prerequisite of both section 5(1) and section 5(2)(a) of the Act that the trade marks are identical. In its defence and counterstatement, the Applicant disputed the claim of identity between the respective marks, listing the differences between them and arguing that the marks are not even similar.

49. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA*⁴, the Court of Justice of the European Union (“CJEU”) held that:

“54... a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer.”

50. The respective trade marks are shown below:

	
Opponent's earlier Mark A (second mark in the series)	Applicant's contested trade mark

51. The Applicant's and Opponent's marks both comprise a six-pointed sheriff-style badge, with the capital letter “M” in the centre, in an identical font. A shadow appears across the right-hand side of the badge and there are highlighted areas around the edges and points of the badge. Beneath the badge are the letter and number combination “M-150”, separated by a hyphen, in the same font which includes highlighted areas across the top of the letter and numbers. The differences between

⁴ *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA*, case C-291/00.

the Applicant's and Opponent's marks are confined to some areas of shading outside the badge and beneath the letter and number combination in the Opponent's mark. Also, the tone of the marks differs, with the Applicant's mark being black, with a light grey letter "M" inside the badge and the Opponent's mark being grey, with the letter "M" inside the badge being a similar shade of grey to the rest of the badge.

52. Applying the findings of the CJEU in *LTJ Diffusion*, I find the Applicant's mark to be identical to the black and white mark in the Opponent's Mark A. This is because I consider that the differences between the respective marks are so insignificant that they would likely go unnoticed by the average consumer.

Comparison of goods

53. In considering the extent to which there may be similarity between the goods, I take account of the guidance from relevant case law. Thus, in *Canon* the CJEU stated that:

*"In assessing the similarity of the goods or services concerned, ... 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".*⁵

54. The relevant factors identified by Jacob J. (as he then was) in the *Treat*⁶ case 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;

⁵ Case C-39/97, at paragraph 23.

⁶ *British Sugar PLC v James Robertson & Sons Ltd.*, 1996 R.P.C. 281.

(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.

55. In *Gérard Meric v Office for Harmonisation in the Internal Market (OHIM)*, the General Court of the European Union stated that goods can be considered as identical when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (and vice versa).⁷

56. Under section 5(1) and 5(2)(a), the Opponent opposes all of the Applicant's goods in Class 32. These goods are set out in the table below, alongside the goods relied upon by the Opponent under Mark A:

The Opponent's goods	The Applicant's goods
Class 32: <i>Energy drinks; soft drinks</i>	Class 32: <i>Beer; Ginger beer; Ginger ale; Malt beer; Beer wort; Extracts of hops for making beer; Malt wort; Energy drinks; Non-alcoholic fruit juice beverages; Vegetable drinks; Mineral water [beverages].</i>

Energy drinks:

57. The Applicant's *energy drinks* are plainly identical to the Opponent's *energy drinks*.

⁷ *Gérard Meric v Office for Harmonisation in the Internal Market (OHIM)*, case T-133/05 at paragraph 29. See Case T-388/00 *Institut für Lernsysteme v OHIM — Educational Services (ELS)* at paragraph 53 for this principle applied to services.

Ginger beer; Ginger ale; Non-alcoholic fruit juice beverages; Vegetable drinks; Mineral water [beverages]:

58. The Applicant's goods listed above are all forms of *soft drinks* and I therefore find these goods to be identical to the Opponent's *soft drinks* under the *Meric* principle.

Outcome under section 5(1) of the Act

59. I have found the Applicant's *Energy drinks; Ginger beer; Ginger ale; Non-alcoholic fruit juice beverages; Vegetable drinks; and Mineral water [beverages]* to be identical to the Opponent's goods. As I have also found the Applicant's and Opponent's marks to be identical, the opposition under section 5(1) succeeds in respect of *Energy drinks; Ginger beer; Ginger ale; Non-alcoholic fruit juice beverages; Vegetable drinks; and Mineral water [beverages]*.

60. I now turn to assess the opposition under section 5(2)(a) of the Act as it applies to the remaining goods in Class 32 of the Applicant's mark: *Beer; Malt beer; Beer wort; Extracts of hops for making beer; and Malt wort*.

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

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect

picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

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

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

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

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

(g) a lesser degree of similarity between the goods or services may be offset by a 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.

Beer; Malt beer:

62. The terms *beer* and *malt beer* in the Applicant's specification would include non-alcoholic beer and non-alcoholic malt beer. The term *soft drinks* from the Opponent's specification is defined in the online *Cambridge Dictionary* as "a cold, usually sweet, drink that does not contain alcohol". I consider the Applicant's *beer* and *malt beer* would share the same channels of trade and, particularly for non-alcoholic beer, the same intended purpose as the Opponent's soft drinks, i.e. to quench thirst. Also, in respect of non-alcoholic beer, the Applicant's and Opponent's goods may be in competition with each other. As such, I find the Applicant's *beer* and *malt beer* to be similar to the Opponent's *soft drinks* to a medium degree.

Beer wort; Extracts of hops for making beer; Malt wort

63. The Applicant's goods listed above are all products used in the manufacture of beer. In its statement of grounds, the Opponent finds similarity between the above goods and its *energy drinks* and *soft drinks*. In addressing the similarity at paragraph 10 of its statement of grounds, the Opponent submits that:

"the respective goods share the same consumer, often the same manufacturers, the same ultimate purpose of use, the same distribution channels and the same retailers / wholesalers or are complementary with one another. Additionally, as the list of drinks can be enjoyed as alternative drinks there is also a degree of competition with one another."

64. It is not clear to me how the above statements from the Opponent relate to *Beer wort; Extracts of hops for making beer; and Malt wort* and their similarity to *energy drinks* and *soft drinks*. The relevant consumer of the Applicant's goods will be a beer manufacturer. These goods will not be in competition with *energy drinks* and *soft drinks* and their channels of trade will differ. In terms of complementarity, the Applicant's ingredients will be necessary for the manufacture of beer, however beer is not included in the Opponent's goods and while it may be that these ingredients are

used in the manufacture of non-alcoholic beer, I do not consider that non-alcoholic beer would be considered a form of “soft drink”, which usually refers to sweet drinks.

65. In conclusion, I find *Beer wort; Extracts of hops for making beer; Malt wort* to be dissimilar to the Opponent’s goods. The opposition under section 5(2)(a) fails in respect of *Beer wort; Extracts of hops for making beer; and Malt wort*. This being the case, the remaining goods in the Applicant’s mark being considered under section 5(2)(a) are *Beer; and Malt beer*.

Average consumer and the purchasing act

66. It is necessary to determine who is the average consumer for the goods at issue and how the goods are likely to be selected in the purchasing process.

67. In *Hearst Holdings Inc*,⁸ Birss J. explained that:

“... 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 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 word “average” denotes that the person is typical ...”

68. I agree with the Opponent that the average consumer of the drinks concerned will be the general public, although in the case of the Applicant’s *Beer* and *Malt beer*, this will be an adult over the age of 18.

69. In my experience, the goods tend to be sold in retail outlets and their online equivalents. They are also sold in restaurants, cafés and bars. In retail outlets, the goods are usually displayed on shelves, where they are selected by consumers. On websites, the consumer will see images of the products, which they can scroll through and select. In restaurants, cafés and bars, the consumer will either see the goods displayed at the service counter, or bar, or they will select them from a list provided on

⁸ *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*, case [2014] EWHC 439 (Ch), at paragraph 60.

a menu. While aural considerations will play a part in the ordering of the goods in restaurant, bar and café settings, this normally happens after the goods have been selected through a visual inspection of the goods displayed, or a menu. Overall, the selection of the goods will be primarily visual, with aural considerations playing a lesser part.

70. *Energy drinks* and *soft drinks* are reasonably inexpensive goods that are purchased fairly frequently. Some attention will be paid to their flavour and sugar content and in respect of energy drinks, the level of caffeine will also be considered. I find that the level of attention paid during the selection process to be between low and medium. *Beer* and *Malt beer* tend to cost more than soft drinks and the average consumer is likely to pay attention to characteristics including alcohol content and flavour. I consider the level of attention paid in the selection process for these goods to be medium.

Distinctive character of the earlier mark

71. The distinctive character of the earlier mark must be assessed, as the more distinctive the earlier mark, either inherently or through use, the greater the likelihood of confusion (*Sabel* at [24]). In *Lloyd Schuhfabrik*,⁹ 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...”

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...”

⁹ *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, case C-342/97.

72. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of the mark can be enhanced by virtue of the use that is made of it.

73. As the Opponent has not pleaded that its mark has acquired enhanced distinctive character through use and neither has it provided evidence of how its mark has been used in the UK, I will not make a finding on enhanced distinctiveness.

74. I have, therefore, only the inherent position to consider. The grey and white mark in the Opponent's Mark A consists of the capital letter "M" inside a six-pointed sheriff's badge, beneath which appears the letter and number combination  in a particular, quite angular font. It is possible that  could be read as the word "MISO", as in the paste used in Japanese cooking. I am not aware that the letter "M", or combination "M-150" have any meaning in respect of *energy drinks* or *soft drinks* and even if the word "MISO" is seen, it does not appear to have any meaning in respect of the goods. Finally, the sheriff's badge is not in my view a typical shape that appears on packaging, but neither is it particularly unusual. The parties have not provided any submissions on the distinctive character of the earlier mark. Overall, I find the Opponent's mark be inherently distinctive to an above average degree.

Likelihood of confusion

75. I have so far considered the factors that need to be taken into account when assessing the likelihood of confusion in respect of the remaining goods in the Applicant's mark – *Beer* and *Malt beer*. I now come to make a global assessment of these factors.

76. There are two types of confusion that I may find. The first type is direct confusion which occurs where the consumer mistakes one mark for another. The second type is indirect confusion, where the consumer notices the differences between the marks,

but due to the similarities between the common elements, they believe that the goods or services derive from the same, or a related economic undertaking.¹⁰

77. In this decision, I have found the Applicant's and Opponent's marks to be identical. I have found the goods under the respective marks to be similar to a degree that is somewhere between medium and high and I have found the Opponent's Mark A to be distinctive to an above average degree. I have found the average consumer will pay up to a medium degree of attention when making this predominantly visual purchase.

78. Taking account of these factors, I find that the average consumer, paying even a medium degree of attention, would directly confuse the Applicant's Mark and the grey and white version of the Opponent's Mark A. The identity of the marks and the similarity of the goods would, in my view, lead the average consumer to mistake one mark for the other.

Conclusions under section 5(1), 5(2)(a) and 5(2)(b)

79. The opposition under section 5(1) succeeds in respect of *Energy drinks; Ginger beer; Ginger ale; Non-alcoholic fruit juice beverages; Vegetable drinks; and Mineral water [beverages]*.

80. The opposition under section 5(2)(a) succeeds in respect of *Beer and Malt beer*.

81. The opposition under section 5(2)(a) fails in respect of *Beer wort; Extracts of hops for making beer; Malt wort*. As I have found these goods to be dissimilar to the Opponent's goods, an assessment under section 5(2)(b) would not advance the Opponent's case any further.

82. In case I am incorrect in my assessment that the Applicant's mark and the Opponent's grey and white mark under Mark A are identical, I will briefly consider the position under section 5(2)(b). A comparison of the respective marks visual, aural and conceptual identities shows that they:

¹⁰ L.A. Sugar Limited v Back Beat Inc, BL O/375/10

- (i) are visually very highly similar, for the reasons set out at paragraph 51 of my decision;
- (ii) are aurally identical, both consisting of the verbal elements “M” and “M-150”, which will be heard as “EMM” plus “EMM one fifty” / “EMM one hundred and fifty” / “MISO”;
- (iii) have an identical concept provided by the sheriff badge. And, where the consumer perceives the word “MISO” in the marks, conceptual identity on this basis.

83. Under section 5(2)(b), my assessment has shown the marks to be aurally and conceptually identical; with the goods in the respective marks being similar to a degree that is somewhere between medium and high and the Opponent’s Mark A to be distinctive to an above average degree. On the basis of this, I find that the average consumer, even paying as much as a medium degree of attention when making this predominantly visual purchase would directly confuse the Applicant’s Mark and the grey and white version of the Opponent’s Mark A.

84. As a result, the opposition also succeeds under section 5(2)(b) in respect of *Beer; Ginger beer; Ginger ale; Malt beer; Energy drinks; Non-alcoholic fruit juice beverages; Vegetable drinks; Mineral water [beverages]*.

Opposition under section 3(6)

85. Section 3(6) of the Act is as follows:

“A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

86. In *Sky Limited & Ors v Skykick, UK Ltd & Ors*, [2021] EWCA Civ 1121 the Court of Appeal considered the case law from *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07 EU:C:2009:361, *Malaysia Dairy Industries Pte. Ltd v Ankenævnetfor Patenter Varemærker* Case C-320/12, EU:C:2013:435, *Koton Mağazacılık Tekstil Sanayi ve Ticaret AŞ*, Case C-104/18 P, EU:C:2019:724,

Hasbro, Inc. v EUIPO, Kreativni Dogaaji d.o.o. intervening, Case T-663/19, EU:2021:211, *pelicantravel.com s.r.o. v OHIM, Pelikan Vertriebsgesellschaft mbH & Co KG (intervening)*, Case T-136/11, EU:T:2012:689, and *Psytech International Ltd v OHIM, Institute for Personality & Ability Testing, Inc (intervening)*, Case T-507/08, EU:T:2011:46. It summarised the law as follows:

“68. The following points of relevance to this case can be gleaned from these CJEU authorities:

[...]

3. The concept of bad faith presupposes the existence of a dishonest state of mind or intention, but dishonesty is to be understood in the context of trade mark law, i.e. the course of trade and having regard to the objectives of the law namely the establishment and functioning of the internal market, contributing to the system of undistorted competition in the Union, in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs which enable the consumer, without any possibility of confusion, to distinguish those goods or services from others which have a different origin: Lindt at [45]; Koton Mağazacılık at [45].

4. The concept of bad faith, so understood, relates to a subjective motivation on the part of the trade mark applicant, namely a dishonest intention or other sinister motive. It involves conduct which departs from accepted standards of ethical behaviour or honest commercial and business practices: Hasbro at [41].

5. The date for assessment of bad faith is the time of filing the application: Lindt at [35].

6. It is for the party alleging bad faith to prove it: good faith is presumed until the contrary is proved: Pelikan at [21] and [40].

7. Where the court or tribunal finds that the objective circumstances of a particular case raise a rebuttable presumption of lack of good faith, it is for the applicant to provide a plausible explanation of the objectives and commercial logic pursued by the application: Hasbro at [42].

8. *Whether the applicant was acting in bad faith must be the subject of an overall assessment, taking into account all the factors relevant to the particular case: Lindt at [37].*

9. *For that purpose it is necessary to examine the applicant's intention at the time the mark was filed, which is a subjective factor which must be determined by reference to the objective circumstances of the particular case: Lindt at [41] – [42].*

10. *Even where there exist objective indicia pointing towards bad faith, however, it cannot be excluded that the applicant's objective was in pursuit of a legitimate objective, such as excluding copyists: Lindt at [49].*

11. *Bad faith can be established even in cases where no third party is specifically targeted, if the applicant's intention was to obtain the mark for purposes other than those falling within the functions of a trade mark: Koton Mağazacılık at [46].*

[...]"

87. According to *Alexander Trade Mark*, BL O/036/18, the key questions for determination in a claim of bad faith are:

(a) *What, in concrete terms, was the objective that the applicant has been accused of pursuing?*

(b) *Was that an objective for the purposes of which the contested application could not be properly filed? and*

(c) *Was it established that the contested application was filed in pursuit of that objective?*

88. It is necessary to ascertain what the applicant knew at the relevant date: *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch).

89. An allegation of bad faith is a serious allegation which must be distinctly proved.¹¹ The Opponent's case under section 3(6) appears to be that the sole director of the

¹¹ *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited*

Applicant company is a Chinese citizen, resident in China where the Opponent's M-150 energy drink is sold across many provinces and major conurbations. The Opponent contends that the Applicant has filed its mark in the full knowledge of the existence of the Opponent's marks and as a deliberate attempt "*to disrupt the Opponent's business in the United Kingdom without any justification for doing so.*" The Opponent has provided evidence of its numerous trade mark registrations, across many jurisdictions – including China – for its M-150 trade marks. Also, at Exhibit MS08 are photographs from a 2014 trade and tourism fair in China, where its product was promoted.

90. As set out earlier in this decision, the Applicant denies the bad faith allegation. The Applicant's argument that as it has no business relationship with the Opponent, it was not aware of the Opponent's earlier marks is not a pertinent point in the consideration of the bad faith claim. I do not believe that the Applicant was not aware of the Opponent's trade marks and logo protected by copyright and in this respect, I highlight the multitude of trade mark registrations for the Opponent's mark and the (unchallenged) statement that its mark is used widely in China and evidence that its goods are the most popular energy drink in Thailand.

91. Whilst I agree with the Applicant that identity or similarity of signs is not in itself sufficient to show bad faith, in this case, I have found deliberate copying to have taken place. I have also found the Applicant's mark to be identical to the Opponent's UK registered trade mark and I consider that it is not credible that the Applicant would have sought to register the same figurative mark as a trade mark, for what are in several instances either identical or similar goods to those of the Opponent.

92. The Applicant has had the opportunity to rebut the Opponent's claim of bad faith, and in accordance with Hasbro to provide "*a plausible explanation of the objectives and commercial logic pursued by the application*", but has failed to do so. Noting the case law set out in paragraphs 86 to 88 of my decision, and on the basis of the reasons I have set out here, I find the Applicant to have filed its application in bad faith.

93. The opposition succeeds under section 3(6).

Outcome

94. The Opponent's case under section 5(4)(b) and section 3(6) succeed; the Opponent's case under sections 5(1), 5(2)(a) and 5(2)(b) succeed in part.

COSTS

95. The Opponent has been successful and is entitled to a contribution towards its costs, in line with the scale set out in Tribunal Practice Notice 2/2016. The award reflects the fact that the Applicant did not submit evidence in these proceedings and neither party filed submissions in lieu of a hearing.

<i>Form TM7 fee</i>	£200
<i>Preparing a statement and considering the other side's statement:</i>	£400
<i>Preparing evidence</i>	£800
	Total: £1,400

96. I order Jinshan Food Co. Ltd. to pay Osotspa Public Company Limited the sum of £1,400. This sum should be paid within 21 days of the expiry of the appeal period or within 21 days of the final determination of this case should any appeal against this decision be unsuccessful.

Dated this 18th day of November 2021

**Charlotte Champion
For the Registrar**