

O/1097/22

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3673227

BY

ECKES-GRANINI GROUP GMBH

AND

INTERNATIONAL BEER BREWERIES LTD

TO REGISTER THE FOLLOWING TRADE MARK:

PRISUN

IN CLASS 32

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 429343

BY CAPRI SUN AG

Background and pleadings

1. On 21 April 2020,¹ Eckes-Granini Group GmbH and International Beer Breweries Ltd (“the applicants”) applied to register the trade mark **PRISUN** in the UK, under number 3673227 (“the contested mark”). Details of the application were published for opposition purposes on 17 September 2021. Registration is sought for the following goods:

Class 32: Soft drinks; non-alcoholic preparations for making beverages; mineral water [beverages]; carbonated mineral water; non-alcoholic fruit juice beverages; juices; syrups for making beverages; beer.

2. On 17 December 2021, Capri Sun AG (“the opponent”) opposed the application in full under sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”). In respect of both of its claims, the opponent relies upon its UK trade mark number 3384668, **Capri-Sun** (“the earlier mark”). The earlier mark was filed on 19 March 2019 and became registered on 21 June 2019 in respect of the following goods:

Class 29: Dairy products, except cheese; drinks made from dairy products; beverages, consisting mainly of milk or milk products; milk drinks containing fruits or fruit juice; drinking yogurts; fruit pulp; fruit paste; fruit jellies; fruit-based snack food; fruit desserts; fruit purees; vegetable purees; soya based beverages used as milk substitutes; coconut milk-based beverages; almond milk-based beverages; peanut milk-based beverages.

Class 30: Coffee, tea, cocoa, coffee substitutes; coffee, tea, cocoa or chocolate-based drinks; beverages consisting mainly of coffee, tea or cocoa; iced tea; ice beverages with a coffee base; ice beverages with a cocoa base; edible ices; sherbets [sorbetes]; self-freezing preparations for ice; water ice;

¹ On 1 January 2021, the UK left the EU after the expiry of the transition period. Under Article 59 of the Withdrawal Agreement between the UK and EU, applications for EUTMs made before the end of the transition period that had received a filing date can form the basis of a UK application with the same filing date as the corresponding EUTM, provided they were filed within 9 months of the end of the transition period. The applicants’ EUTM number 18228012 was filed at the EUIPO on 21 April 2020, whereas their UK application was filed on 26 July 2021. Accordingly, the UK application was given the same filing date as its EUTM.

confectionery in frozen form; mixtures for making water ices; fruit sauces; non-medicated confectionery candy; gum sweets; dragées, not for medical purposes; sweetmeats [candy]; lollipops; confectionery bars.

Class 32: Non-alcoholic beverages, fruit drinks, fruit juices and fruit nectar; energy drinks; slush drinks; sports drinks; isotonic drinks; vegetable drinks; juice drinks; protein drinks; carbohydrate drinks; cola drinks; fruit flavoured drinks; smoothies; squashes; beverages containing vitamins; waters; mineral water; soya-based beverages, other than milk substitutes; vitamin-fortified non-alcoholic beverages; nut and soy-based beverages; coconut-based beverages; bases, concentrates, syrups and essences (included in class 32) for making the aforesaid beverages.

3. Given the respective filing dates, the opponent's mark is an earlier mark in accordance with section 6 of the Act. As the earlier mark had not completed its registration process more than five years before the filing date of the contested mark, it is not subject to the proof of use provisions specified in section 6A of the Act. Consequently, the opponent is entitled to rely upon all the goods of the earlier mark, without having to demonstrate genuine use.

4. For the purposes of its claim under section 5(2)(b), the opponent relies upon all the goods of the earlier mark. In its notice of opposition, the opponent contends that the competing marks are similar and the parties' goods are identical or similar, giving rise to a likelihood of confusion, including the likelihood of association.

5. As for its claim under section 5(3), the opponent claims that the earlier mark has a reputation in respect of all the goods for which it is registered. The opponent submits that this reputation is such that use of the contested mark would be detrimental to, and take unfair advantage of, the distinctive character and repute of the earlier mark. It also argues that use of the contested mark would give the applicants an unfair commercial advantage as they will benefit from the significant investment made by the opponent without having to make the same investment in brand awareness and advertising. Additionally, the opponent contends that, if the goods offered under the

contested mark are of poor quality, this could be detrimental to the reputé of the earlier mark.

6. The applicants filed a counterstatement, denying the grounds of opposition. Except for in relation to the applied-for term '*beer*', they admit there is an "overlap" in the parties' goods in class 32. However, the applicants dispute that the competing marks are similar and that there is a likelihood of confusion. Moreover, the applicants deny that the earlier mark has a reputation and put the opponent to proof of the same. They also dispute that a link would be made between the competing marks by consumers and that damage would occur.

7. The opponent is professionally represented by Stobbs and the applicants by Miller Sturt Kenyon. Only the opponent filed evidence. A hearing was requested and held before me, by video conference, on 3 November 2022. Mr Julius Stobbs appeared on behalf of the opponent. The applicants neither attended the hearing nor filed written submissions in lieu. However, I note that the applicants filed written submissions during the evidence rounds.

8. Although the UK has left the EU, 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 Act relied on in these proceedings are derived from an EU Directive and, therefore, this decision continues to refer to the trade mark case law of the EU courts.

Preliminary issue

9. At the hearing, Mr Stobbs raised what he considered to be a pleadings issue. He said that the applicants' defence is relatively narrow and specific. He understood the applicants' denial of the opponent's claim under section 5(2)(b) to be solely on the basis that there is no similarity between the competing marks. Mr Stobbs submitted that the pleadings define the scope of the case and, therefore, the applicants' pleadings define the scope of their defence. He argued that, should any degree of similarity be found between the competing marks, the opponent's claim ought to succeed. Mr Stobbs raised a similar point with regards the section 5(3) ground. He

understood the basis of the applicants' defence to be that the earlier mark does not have a reputation and that the earlier mark would not be brought to mind by the contested mark due to the lack of similarity between them. In this connection, Mr Stobbs contended that, if a reputation is established and any similarity is found between the competing marks, the applicants' defence should fall away.

10. Whilst I agree with Mr Stobbs insofar as pleadings define the scope of a case, I am not persuaded that the opponent must succeed in the event that I find that a) the earlier mark has a reputation and b) there is similarity between the competing marks. Firstly, in relation to the 5(2)(b) ground, I note that the applicants' defence includes a statement that the competing marks are not confusingly similar.² Where trade marks are found to be similar, it does not necessarily follow that they are confusingly so. Whether there is a likelihood of confusion is a multifactorial assessment and, although it is certainly one of the relevant factors I must consider, the fact that there is some similarity between trade marks does not automatically mean that there would be confusion. In my view, the pleadings would need to be explicitly framed in the manner suggested by Mr Stobbs to be taken as such. I do not consider that to be the case here. In the circumstances, I do not consider it appropriate to interpret the applicants' pleaded case in such a way as to render their defence moot in the event that I find any degree of similarity between the competing marks. In respect of the 5(3) ground, I note that the applicants put the opponent to proof of its alleged reputation, denied that the requisite mental link would be made (due to perceived differences between the marks), and denied that use of the contested mark would cause damage.³ Consequently, I do not agree with Mr Stobbs that, if a reputation and similarity between the competing marks are found, the opponent's claim under section 5(3) must succeed. In any event, the applicants' have pleaded that registration of the contested mark would not be contrary to sections 5(2)(b) or 5(3),⁴ which I consider to be equivalent to a blanket denial of the opponent's pleaded case. Therefore, contrary to Mr Stobbs' suggested approach, all relevant factors across the two grounds must be taken into account.

² Applicants' counterstatement, §7

³ Applicants' counterstatement, §§41-43

⁴ Applicants' counterstatement, §46

Evidence and submissions

11. The opponent's evidence is given in the witness statement of Jan Otto, dated 16 May 2022, and accompanying exhibits JO1 to JO22. Mr Otto is the Head of Intellectual Property at Capri Sun Group Holding AG (of which the opponent is a subsidiary). He says that he has been associated with the company since April 2016. Mr Otto gives evidence as to the background of the opponent and use of the earlier mark.

12. As noted above, the applicants filed written submissions during the evidence rounds.

13. I have read all of the evidence and submissions and will return to them to the extent I consider necessary in the course of this decision.

Section 5(2)(b)

The law

14. Sections 5(2)(b) and 5A of the Act read as follows:

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

[...]

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

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the

trade mark is applied for, the application is to be refused in relation to those goods and services only.”

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

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

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

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

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

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

(g) a lesser degree of similarity between the goods or services may be offset by a 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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

16. In *Canon*, Case C-39/97, the Court of Justice of the European Union (“CJEU”) stated at paragraph 23 of its judgment 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”.

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

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

18. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court stated that:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

19. In his skeleton arguments, Mr Stobbs submitted that, although all of the goods of the earlier mark are relied upon under this ground, the opponent’s best case is in relation to those in class 32. I agree. The other goods of the earlier mark do not appear

to put the opponent in a more favourable position. My assessment will, therefore, focus upon the applicants' goods listed at paragraph 1 and the opponent's class 32 goods listed at paragraph 2.

20. The applicants' terms '*soft drinks; [...] mineral water [beverages]; carbonated mineral water; non-alcoholic fruit juice beverages; juices*' all describe particular types of non-alcoholic beverages. As such, they are encompassed by the opponent's broad term '*non-alcoholic beverages*'. These goods are to be regarded as identical in accordance with *Meric*.

21. The opponent's term '*bases, concentrates, syrups and essences (included in class 32) for making the aforesaid beverages*' provides protection for bases, concentrates, syrups and essences for making the non-alcoholic beverages listed in its class 32 specification. These goods fall within the scope of the applicants' term '*non-alcoholic preparations for making beverages*'. As such, these goods are identical under the principal outlined in *Meric*.

22. The applicants' term '*syrups for making beverages*' incorporates the goods protected by the opponent's term '*[...] syrups [...] (included in class 32) for making the aforesaid beverages*'. Accordingly, these goods are identical under *Meric*.

23. The opponent's term '*non-alcoholic beverages*' is broad and covers goods such as non-alcoholic, or alcohol-free, beers. The nature of alcohol-free beer is similar to the applicants' '*beer*' in that they are both consumable liquids with the same basic flavour, the only material difference being that the former has no alcoholic content. The respective goods have the same method of use, i.e. they are consumed by mouth. Whilst the applicants' goods are consumed to feel the effects of alcohol and the opponent's goods are not, there is an overlap in intended purpose insofar as they are both drunk for refreshment or taste. The respective goods reach the market through shared channels of trade; they are available in retailers, such as supermarkets, and hospitality settings, such as pubs or restaurants, wherein they are located in close proximity to one another on shelves or in fridges. They are sold in similar containers, such as cans and bottles. It is also not uncommon for brewers to offer both alcoholic and non-alcoholic versions of their products and market them under the same trade

marks. The respective goods target the same consumers, the only difference being that consumers of the opponent's goods do not wish to feel the effects of alcohol. Moreover, given that a consumer could choose an alcohol-free beer over one containing alcohol (if, for example, they are driving), there is a competitive relationship between them. Overall, I find that the respective goods are similar to at least a medium degree.

The average consumer and the nature of the purchasing act

24. 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. (as he then was) 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.”

25. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question.⁵

26. Consistent with my approach to the comparison of the parties' goods, my assessment will focus on the average consumer of the class 32 goods at issue. The average consumer of such goods is likely to be a member of the general public. Insofar as the goods are alcoholic, this will be limited to individuals over the age of 18. Non-alcoholic beverages are likely to be purchased frequently for the purpose of refreshment and enjoyment, whilst those containing alcohol will be purchased relatively frequently for enjoyment and socialising. The goods will be purchased

⁵ *Lloyd Schuhfabrik Meyer, Case C-342/97*

without an overly considered thought process as, overall, they are relatively inexpensive. Consumers will consider factors such as taste, cost, nutritional content, type and (in the case of alcoholic beverages) the alcohol content. However, taking all of the above into account, I find that the level of attention of the general public would be between low and medium. The goods are typically sold in retail establishments, such as supermarkets and convenience stores, wherein the goods are likely to be self-selected by consumers from shelves or chilled cabinets. In these circumstances, visual considerations will dominate. Goods such as these are also sold in hospitality settings, such as restaurants and bars, wherein there may be an oral component to the selection process, such as requests to bar and waiting staff. However, even where the goods are ordered verbally, the selection process will still be in the context of a visual inspection of a drinks list, for example, prior to the order being placed. Overall, I am of the view that the purchasing process will be predominantly visual in nature, though aural considerations will play their part.⁶

Distinctive character of the earlier mark

27. 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

⁶ *Simonds Farsons Cisk plc v OHIM*, Case T-3/04

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 *WindsurfingChiemsee*, paragraph 51).”

28. Registered trade marks possess varying degrees of inherent distinctive character. These range from the very low, such as those which are suggestive or allusive of the goods, to those with high inherent distinctive character, such as invented words. Dictionary words which do not allude to the goods will be somewhere in the middle. The degree of distinctiveness is an important factor as it directly relates to whether there is a likelihood of confusion; the more distinctive the earlier mark, the greater the likelihood of confusion. The distinctive character of a mark may be enhanced as a result of it having been used in the market.

29. The earlier mark is in word-only format and consists of the words ‘Capri-Sun’. As there are no other elements, the distinctive character of the mark lies in the words themselves. The word ‘Sun’ is a dictionary defined word and its meaning, i.e. the name of the star which provides light and heat to the earth, will be readily understood by the average consumer. The word ‘Capri’ is the name of an Italian island. To my mind, it is likely that the majority of consumers in the UK will be aware of this. For these consumers, the earlier mark possesses a medium level of inherent distinctive character. However, it is equally likely that there will be a significant proportion of consumers in the UK who will not recognise it as referring to a geographic location. This group of consumers will, instead, perceive it as an invented word with no discernible meaning. For these consumers, the earlier mark possesses a high level of inherent distinctive character.

30. Evidence has been filed by the opponent and I am now required to assess whether it has demonstrated that, at the relevant date of 21 April 2020, the earlier mark had an enhanced degree of distinctive character.

31. Mr Otto gives evidence that 'Capri-Sun' products have been continually sold on the UK market since the early 1980s.⁷ He states that 'Capri-Sun' products have been widely available in UK supermarkets (such as ASDA, Iceland, Morrisons, Sainsburys and Co-op), as well as in independent stores and newsagents, for several years.⁸ A copy of the opponent's UK product portfolio for 2018 is in evidence,⁹ which shows fruit juice drinks in various flavours adorned with 'Capri-Sun' branding. According to Mr Otto, in 2019 and 2020 an average of more than 60m 'Capri-Sun' pouch beverages were sold in the UK per annum.¹⁰ A range of sample invoices dated between 2 August 2018 and 13 March 2020 have been provided.¹¹ Whilst some specific details have been redacted, such as customer names and sales values, the invoices demonstrate the sale of 'Capri-Sun' branded juice drinks to customers in the UK during this period. The number of units sold in each invoice ranges between thousands and millions. According to Mr Otto and analysis from Nielsen,¹² in 2020 'Capri-Sun' had 11.78% and 9.29% shares (by volume and value, respectively) of the UK market of still fruit juice and drinks of 500ml or less. These figures are from December 2020, reflecting the position for the entire calendar year; I note, therefore, that a proportion of the data from which these figures derive is likely to relate to economic activity conducted after the relevant date.

32. Mr Otto explains that the opponent conducted brand health surveys in 2018, 2019 and 2020, in co-operation with Dynata.com.¹³ I note that the numbers of respondents are not statistically significant (504, 374 and 474 individuals in 2018; 474, 507 and 511 in 2019; and 507, 511 and 504 in 2020) and consisted only of parents of children aged between 4 and 12. Therefore, the probative value of the surveys is limited. That said, the respondents were spread across different regions of the UK. I also note that there was a significant level of unaided awareness amongst respondents (26%, 23% and 26% in 2018; 26%, 30% and 26% in 2019; and 30%, 26% and 28% in 2020). These figures represent those who mentioned 'Capri-Sun' when asked what brands of children's still juice drinks they had heard of. Excerpts from a qualitative study

⁷ Witness statement of Mr Jan Otto, §6

⁸ Otto, §11

⁹ Exhibit JO4

¹⁰ Otto, §25

¹¹ Exhibit JO5

¹² Otto, §28; Exhibit JO22

¹³ Otto, §14

conducted by Rheingold in 2017 have also been provided.¹⁴ Whilst the excerpts show that some of the respondents had purchased 'Capri-Sun' and that the brand was well-perceived, this evidence represents an even smaller and disperse sample size. Online community research over seven days was conducted with 30 mothers and two-hour interviews were conducted with 18 mothers; the research was carried out in Germany, Paris and the UK, with no indication as to how many of the respondents were consumers in the UK.

33. According to Mr Otto, the earlier mark has been extensively marketed in the UK.¹⁵ He says that advertising expenditure for 2019 and 2020 was, on average, between €2.5m and €3.5m per annum.¹⁶ Examples of point of sale and outdoor advertising of the brand across the UK since 2019 have been provided.¹⁷ Whilst some of this evidence is undated or post-dates the relevant date, I note that an on-pack promotional campaign was live in December 2019 and January 2020 with paid social media support. The opponent also ran a charity promotion throughout 2019 with Clic Sargent, raising money with each pack of 'Capri-Sun' sold at Morrisons. Outdoor advertising in the form of posters showing 'Capri-Sun' juice pouches in Bexleyheath and Marylebone are shown; whilst the photographs are undated, the supporting data is from 2019. A photograph of a 'Capri-Sun' billboard has been provided. It shows a branded juice pouch. The photograph is dated 1 September 2016, though no details as to its location are given. A photograph of another 'Capri-Sun' poster has been evidenced,¹⁸ which is said to be from the London Underground (Heathrow Station) and taken in 2016.¹⁹

34. Mr Otto says that 'Capri-Sun' has been active in running promotions and sponsoring events, such as the Colour Run London Wembley, since 2016.²⁰ In support, a document from a quarterly meeting has been exhibited.²¹ It contains multiple photographs of outdoor 'Capri-Sun' advertisements showing branded juice drink pouches. The photographs are dated between 20 and 22 June 2016, though no

¹⁴ Exhibit JO10

¹⁵ Otto, §18

¹⁶ Otto, §26

¹⁷ Exhibit JO17

¹⁸ Exhibit JO18

¹⁹ Otto, §20

²⁰ Otto, §24

²¹ Exhibit JO21

indication is given as to the location of the advertisements. Details are given about the 'Capri-Fun Adventures' promotion. It says that this on-pack promotion was run in UK supermarkets in April and May 2016. Promotional support in the form of branded shippers in selected ASDA stores and Facebook posts is mentioned. Between 1 April and 31 May 2016, I note that there were 8,268 visits to the promotional website and 3,635 unique entries for prizes via the same. Moreover, the document includes a report of the Colour Run. It says that 15,557 people were reached by a pre-race email, 18,000 reached by an email newsletter, 15,684 reached by a post-race email and 18,000 by race packs. It also says that 5,900 'Capri-Sun' samples were distributed at the event. Photographs from the event are visible, in which 'Capri-Sun' branded race apparatus and memorabilia can be seen. Within the Colour Run newsletter, there was a voucher for discounted 'Capri-Sun' juice drinks at McColl's, valid until 31 August 2016. The document also provides the results of a digital campaign, wherein materials were sent to 16,716 convenience outlets. The 'open' rate is given as 37.5% (higher than the purported industry average of 14%) whilst the 'click' rate was 1.86%.

35. The opponent is said to have run a campaign launching 'Capri-Sun' fruity water in the UK.²² A Coverage Report from the opponent and Better, dated 16 August 2019, is in evidence.²³ It indicates that the UK re-launch of these products was designed around a deep-dive survey into children's swimming abilities in the UK, creative mailers, partnerships with ten influencers and Paralympic gold medallist Ellie Simmonds, and a 'splash party' event. The results suggest a potential 519k reach on social media, 28 media hits (of which 14 were radio hits, including on national stations *TalkRadio* and *Sky News Radio*), and a potential 45.5m media reach.

36. Mr Otto states that 'Capri-Sun' is highly visible on social media platforms Facebook, Instagram, YouTube, LinkedIn and Twitter.²⁴ He provides printouts from the opponent's social media accounts.²⁵ Those from Facebook, LinkedIn and Instagram are undated. The printout from Twitter shows that the 'Capri Sun' page was established in October 2013 and has 8,534 followers. As the printout is otherwise

²² Otto, §22

²³ Exhibit JO20

²⁴ Otto, §16

²⁵ Exhibit JO11

undated, I infer that this reflected the position at the date of Mr Otto's statement. A 'tweet' is dated 31 August 2020, i.e. after the relevant date. There is no indication that this is a UK account, and no information regarding the location of its followers. Nevertheless, I note the evidence includes examples of 'Capri-Sun' campaigns which were posted on the opponent's GB Facebook page.²⁶ These are dated 30 October 2017, 28 November 2017, 4 September 2018 and 3 October 2018, and show 'Capri-Sun' branded juice drink pouches. Moreover, similar campaigns were posted on the opponent's GB Instagram page.²⁷ Those preceding the relevant date are from 30 August 2019, 22 October 2019 and 18 February 2020. A printout of the 'Capri-Sun' UK YouTube page has also been provided. It says the page has over four thousand followers. As the printout is undated, I infer that this reflected the position as at the date of Mr Otto's statement. There are nine 'Capri-Sun' adverts on the page. Although the printout is undated, the videos were uploaded between "3 years ago" and "8 years ago". The date of Mr Otto's statement would place these videos between 2014 and 2019. The number of views for the videos range from 4.8 thousand to 3.3 million. A document from the opponent entitled 'Social Media Posts 2020' is also in evidence.²⁸ They mostly comprise posts from the 'Capri-Sun' GB Facebook page dated 4 February 2020 to 1 March 2020, 21 February 2020 to 9 March 2020, 9 March 2020 to 31 March 2020, and 1 April 2020 to 30 April 2020. The posts feature 'Capri-Sun' branded juice drinks. Others are included in the exhibit; however, they post-date the relevant date. I note that the exhibit also contains stills of video advertisements for 'Capri-Sun' products, though there is no indication as to where or when these were aired or any information regarding their potential audiences.

37. From the Coverage Highlights document (2016 – 2021) in evidence,²⁹ I note that 'Capri-Sun' juice drinks were referred to in *Mail Online*, *The Daily Record* and *The Grocer* in 2016; in *The Grocer* in 2017; in *The Sun*, *Mail Online* and *Talking Retail* in 2018; in *Metro*, *Politics Home* and *The Guardian* in 2019; and *The Grocer* and *Grocery Trader* in 2020. Whilst the readership and circulation of some of these publications is not clear or explained, others are widely read, national publications. The document

²⁶ Exhibit JO12

²⁷ Exhibit JO13

²⁸ Exhibit JO15

²⁹ Exhibit JO16

also shows a still image from *Sky News* television coverage of the Chief Executive of the company appearing for an interview in 2020. An advert from *Daily Express* is in evidence,³⁰ relating to a promotion of 'Capri-Sun' juice drinks; it was valid at One Stop stores on 24 September 2016.

38. The earlier mark appears throughout the evidence in word-only format. Moreover, on the product packaging, in invoices, on social media and in promotional materials the mark is presented in the following figurative formats:



39. As noted above, the distinctive character of the earlier mark lies in the words 'Capri-Sun' themselves. As can be seen, the marks above differ from the earlier mark as registered in their use of colour and slightly stylised font. The words are also presented in a curve. It is my view that these differences do not alter the distinctive character of the earlier mark. To my mind, the particular colours, font and orientation used constitute expressions of the registered word-only mark in normal and fair use. Accordingly, the use of these figurative marks in the evidence will be considered use of the earlier mark as registered for the purposes of my assessment.

40. The evidence shows that, in 2020, the opponent had significant shares (by both volume and value) of the UK market of still fruit juice and drinks of 500ml or less. It is my understanding that such markets in the UK are competitive and remarkably large. Although some of the data from which these figures derive is likely to be from after the relevant date and no further market share information has been provided, these remain extremely significant figures. Moreover, products bearing the mark have been available for purchase in a number of major supermarkets with outlets across the UK. In 2019 and 2020, more than 60m fruit juice drinks were sold in the UK on average per annum. Although no turnover information has been provided by the opponent, a range of sample invoices demonstrate that beverages bearing the earlier mark were

³⁰ Exhibit JO18

sold to UK customers prior to the relevant date. The invoices feature a large number of products, with some evidencing the sale of hundreds of thousands and millions of units of drinks. There has also been a significant level of marketing in connection with the earlier mark; the opponent's advertising expenditure in 2019 and 2020 was, on average, between €2.5m and €3.5m per annum. The evidence shows that products bearing the earlier mark have been advertised on outdoor advertisements and posters in the UK, whilst the opponent has also run promotions with third parties with social media support. The opponent sponsored Colour Run London Wembley; before, during and after this event, up to 18,000 participants were exposed to the earlier mark by way of email, race packs, samples and branded race apparatus. A marketing campaign was also conducted in partnership with social media influencers and Paralympic gold medallist Ellie Simmonds, with the activities (including coverage of an event) achieving a potential media reach of 45.5m via, *inter alia*, national radio stations, and social media reach of 519k. These activities were conducted prior to the relevant date. Furthermore, the evidence shows that fruit juice drink products bearing the earlier mark featured prominently on the opponent's UK-facing social media channels prior to the relevant date; 'Capri-Sun' campaigns were posted on the opponent's Facebook and Instagram social media pages, while video advertisements featuring 'Capri-Sun' branded products were uploaded to YouTube, achieving a significant viewership. There is evidence, too, that fruit juice drinks sold under the earlier mark were referred to in a number of third-party UK publications before the relevant date, some with national readerships. Although I place little weight on the results of the brand health surveys and the qualitative study conducted before the relevant date due to the statistically insignificant number of respondents, these at least indicate a significant level of unaided awareness of the earlier mark amongst those who did respond, being individuals from across the UK. In his skeleton arguments, Mr Stobbs contended that the evidence shows that the earlier mark benefits from an enhanced degree of distinctive character in respect of *'fruit juice drinks'*. Taking all of the above into account, I am satisfied that the distinctive character of the earlier mark had been enhanced by the relevant date in respect of these goods. The effect of this is that the earlier mark must be considered factually distinctive for these goods to between a medium and high level for consumers who recognise the word 'Capri' as the name of an Italian island and a very high level for consumers who, instead, perceive it as an invented word.

Comparison of trade marks

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

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

42. Therefore, it would be wrong to dissect the trade marks artificially, though it is necessary to take into account the distinctive and dominant components of the marks; due weight must be given to any other features which are not negligible and hence contribute to the overall impressions created by the marks.

43. The competing trade marks are as follows:

The earlier mark	The contested mark
Capri-Sun	PRISUN

Overall impressions

44. The earlier mark is in word-only format and consists of the words 'Capri' and 'Sun', with a hyphen between. Irrespective of whether consumers recognise the word 'Capri' as referring to a geographic location, it is my view that it dominates the overall impression of the earlier mark. This is because it is slightly longer and appears at the beginning of the mark, a position which is generally considered to have more impact.³¹ This dominance will, however, be more pronounced in circumstances where the word is perceived as an invented word (and is, therefore, more distinctive). The word 'Sun' plays a lesser role in the overall impression. Whilst it will not be overlooked, the hyphen plays a much lesser role.

45. The contested mark comprises the plain word 'PRISUN'. As it is the only element of the mark, the overall impression lies in the word itself.

Visual comparison

46. The competing marks are visually similar in that the letters which comprise the contested mark, i.e. 'P', 'R', 'I', 'S', 'U', 'N', are present in the earlier mark, in the same order. The discrepancy in letter case does not create a point of significant difference between the marks, since the registration of word-only marks provides protection for the words themselves, irrespective of whether they are presented in upper, lower or title case.³² The competing marks visually differ insofar as the shared letters are separated by a hyphen in the earlier mark, which is presented as two words and begins with the letters 'C' and 'A' which have no counterparts in the contested mark. Bearing in mind my assessment of the overall impressions, I find that there is a medium degree of visual similarity between the competing marks.

³¹ *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

³² *Migros-Genossenschafts-Bund v EUIPO*, Case T-189/16

Aural comparison

47. The earlier mark consists of three syllables, i.e. “CA-PRI-SUN”, whereas the contested mark comprises two syllables, i.e. “PRI-SUN”. The competing marks are aurally similar in that they share two identical syllables. They differ due to the additional syllable at the beginning of the earlier mark. The hyphen present in the earlier mark will not be articulated. Taking into account the overall impressions, I find that the competing marks are aurally similar to between a medium and high degree. Although there may be subtle differences in the way in which consumers pronounce the syllables of each mark (such as, for example, “PREE”/“PRI”), this does not alter this finding, since the possible pronunciations apply equally to the shared syllables of both marks.

Conceptual comparison

48. As noted above, the earlier mark is likely to be perceived by some consumers as consisting of an invented word followed by the dictionary word ‘Sun’. The former will not convey any meaning to these consumers, while the latter will be understood as the star which provides light and heat to the earth. For other consumers, who recognise ‘Capri’ as the name of an Italian island, the mark is likely to be understood as referring to sunny conditions in this locale, i.e. the sun of Capri. The contested mark comprises an invented word. Although I acknowledge that consumers tend to break trade marks down into elements which suggest a concrete meaning or which resemble words known to them,³³ the string ‘SUN’ is subsumed within the word ‘PRISUN’; the contested mark has a unitary character. As such, whilst I do not exclude that there may be some individuals who identify the word ‘SUN’ within the mark (and, as a result, conceptualise its meaning), it is my view that the mark as a whole does not lend itself to the word being perceived separately. I do not believe that such individuals will constitute a significant proportion of consumers. Rather, the contested mark as a whole will be perceived by the average consumer as an invented word with no discernible meaning. Overall, irrespective of whether consumers appreciate the meaning of the word ‘Capri’ in the earlier mark, the competing marks are conceptually

³³ *Usinor SA v OHIM*, Case T-189/05

dissimilar because the earlier mark conveys (at least) a meaning which is not replicated by the contested mark.

Likelihood of confusion

49. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. One such factor 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 mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier trade mark, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to 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 that they have retained in their mind.

50. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods down to the responsible undertakings being the same or related.

51. Earlier in this decision, I concluded that:

- The parties' goods are identical or similar to at least a medium degree;
- The average consumer of the goods at issue is likely to be a member of the general public, who will demonstrate between a low and medium level of attention when selecting the goods;
- The purchasing process will be predominantly visual in nature, though aural considerations will play their part;

- For some consumers, the earlier mark possesses a medium level of inherent distinctive character, which has been enhanced to between a medium and high level through use in respect of *'fruit juice drinks'*;
- For other consumers, the earlier mark has between a high level of inherent distinctive character, which has been enhanced to a very high level through use in respect of *'fruit juice drinks'*;
- The overall impression of the earlier mark is dominated by the word 'Capri', while the word 'Sun' and the hyphen play lesser roles to varying degrees;
- The overall impression of the contested mark lies in the word 'PRISUN', being the only element of the mark;
- The competing marks are visually similar to a medium degree, aurally similar to between a medium and high degree, and conceptually dissimilar.

52. I will first consider the position in respect of consumers who do not recognise 'Capri' in the earlier mark as a geographic location, as, in my view, this represents the opponent's best case.

53. I acknowledge that the letters which comprise the contested mark are contained in the earlier mark and that they appear in the same order. Nevertheless, there are differences between the marks which are not negligible. The earlier mark begins with two letters which are not replicated in the contested mark. This difference appears at the beginning of the marks, a position which, as outlined above, is generally considered to have more impact. Although I accept there are circumstances where similarities at the ends of marks may be sufficient to create a likelihood of confusion,³⁴ I do not consider that to be the case here. In addition to the difference at the beginning of the marks, the competing marks also differ in that the common string 'pri'/'PRI' is separated from the word 'Sun' in the earlier mark. In this regard, the marks will create different overall impressions on consumers: the earlier mark consists of two words and

³⁴ *Bristol Global Co Ltd v EUIPO*, T-194/14

conveys a meaning to consumers, whilst the contested mark comprises one invented word with no meaning. I do not believe that the average consumer would, upon encountering the earlier mark, separate the letters 'pri' from the full word 'Capri'; nor would they separate the letters 'PRI' from 'SUN' upon encountering the contested mark. This would involve a level of dissection and analysis which the average consumer does not ordinarily undertake when perceiving trade marks. Taking all of the above into account, despite the distinctiveness of the earlier mark, it is my view that the differences between the competing marks are likely to be sufficient for the average consumer – even paying a lower level of attention – to distinguish between them and avoid mistaking one for the other, even in respect of identical goods. I consider this to be the case whether the goods are selected visually or aurally. Notwithstanding the principles of imperfect recollection and interdependency, it follows that there will be no direct confusion.

54. That leaves indirect confusion to be considered. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., sitting as the Appointed Person, explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

55. These three categories are not exhaustive. Rather, they were intended to be illustrative of the general approach, as has been confirmed by the Court of Appeal.³⁵ However, indirect confusion has its limits. I recognise that a finding of indirect confusion should not be made merely because the competing marks share a common element. In this connection, it is not sufficient that a mark merely calls to mind another mark: this is mere association not indirect confusion.³⁶ The Court of Appeal has also emphasised that, where there is no direct confusion, there must be a “proper basis” for finding indirect confusion.³⁷

56. Applying these principles, I do not believe that consumers, having noticed the differences between the competing marks, will assume that the opponent and the applicants are economically linked undertakings on the basis of the competing trade marks; I am unconvinced that consumers would assume a commercial association or licencing arrangement between the parties, or sponsorship on the part of the opponent, merely because of the similar strings ‘pri-Sun’ and ‘PRISUN’. This part of

³⁵ *Liverpool Gin Distillery and others v Sazerac Brands, LLC and others* [2021] EWCA Civ 1207

³⁶ *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17

³⁷ *Liverpool Gin Distillery and others v Sazerac Brands, LLC and others* [2021] EWCA Civ 1207

the earlier mark is not so strikingly distinctive that consumers would assume that only the opponent would be using it in a trade mark. In any event, whilst I have found that the word 'Capri' will be perceived by at least a significant proportion of consumers as an invented word (and is, therefore, highly distinctive), consumers would not dissect it and separate this string from the earlier mark as a whole. The shared letters are presented in one word in the contested mark and as part of two in the earlier mark. Therefore, there is no sharing of an independent distinctive element which would give rise to indirect confusion. Furthermore, the differences between the competing marks are not simply adding or removing non-distinctive elements. Nor are the differences consistent with any logical brand extensions with which consumers would be familiar. I can see no reason why an undertaking would remove two letters from the beginning of a trade mark, as well as a hyphen from between the two words which comprise it, to create a different, single word with no meaning. I have acknowledged that the categories outlined above are not exhaustive; however, to my mind, there is no other basis for concluding that consumers would assume an economic connection between the parties. Taking all of the above factors into account, I do not consider there to be a likelihood of indirect confusion between the competing marks, even in relation to goods that are identical.

57. I have found there to be no likelihood of confusion amongst consumers who do not recognise 'Capri' in the earlier mark to be the name of an Italian island. Considering consumers who do understand the meaning of this word does not improve the opponent's position. This is because, for such consumers, the earlier mark is less distinctive. Moreover, the competing marks are less similar, particularly when considering the conceptual features of the marks; in these circumstances, the earlier mark conveys an additional concept which is not replicated by the contested mark. These factors point further away, rather than towards, there being a likelihood of confusion.

58. In light of the above, the opponent's claim under section 5(2)(b) is dismissed.

Section 5(3)

The law

59. At the relevant date, sections 5(3) and 5(3A) of the Act stated as follows:

“(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.

(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected”.

60. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Adidas-Salomon*, Case C-487/07, *L’Oréal v Bellure*, Case C-323/09, *Marks and Spencer v Interflora* and Case C383/12P, *Environmental Manufacturing LLP v OHIM*. 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-Salomon, 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* and *Environmental Manufacturing, paragraph 34*.

(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'Oréal 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'Oréal v Bellure*).

61. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that its earlier mark is similar to the contested mark. Secondly, the opponent must show that the mark has achieved a level of knowledge, or reputation, amongst a significant part of the public. Thirdly, the opponent must establish that the public will make a link between the marks, in the sense of the earlier mark being brought to mind by the contested mark. Fourthly, assuming the foregoing conditions have been met, section 5(3) requires that one or more of three types of damage claimed by the opponent will occur. It is not necessary for the purposes of section 5(3) that the goods are similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

62. The relevant date for the assessment under section 5(3) is the filing date of the contested application, namely, 21 April 2020.

Reputation

63. In *General Motors*, Case C-375/97, the CJEU held that:

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

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

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

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

64. In his skeleton arguments, Mr Stobbs submitted that the opponent's evidence demonstrates that the earlier mark enjoys a reputation in relation to '*fruit juice drinks*'. Taking the evidential picture as a whole into account, and for the same reasons outlined at paragraph 40, I am satisfied that the opponent has demonstrated that the earlier mark had a reasonably strong reputation in the UK at the relevant date in respect of these goods.

Link

65. As noted above, my assessment of whether the public will make the required mental 'link' between the marks must take into account all relevant factors. The factors identified in *Intel* are:

The degree of similarity between the conflicting marks

I have found that the competing marks are visually similar to a medium degree and aurally similar to between a medium and high degree. I have found that there is no conceptual similarity between the marks.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public

I have found that the parties' goods are identical or similar to at least a medium degree. However, I note that those findings resulted from a comparison between the applicants' goods and the opponent's terms '*non-alcoholic beverages*' and '*bases, concentrates, syrups and essences (included in class 32) for making the aforesaid beverages*'. As noted above, the evidence establishes that the earlier mark has a reputation for '*fruit juice drinks*'. It does not extend to non-alcoholic beverages at large, nor preparations for making beverages.

Considering the matter afresh, I find that the reputed goods are identical to the applicants' '*soft drinks*', '*non-alcoholic fruit juice beverages*' and '*juices*'. This is because the parties' terms either describe the same goods, albeit that they are worded differently, or encompass one another.

The applicants' '*mineral water [beverages]*' and '*carbonated mineral water*' and the reputed goods overlap in that they are both soft drinks which may be consumed for refreshment. Given that one could be selected over the other for this purpose, there is a degree of competition between them. Moreover, it is not uncommon for these drink products to reach the market through shared trade channels; they are available in retailers, such as supermarkets, wherein they are located in close proximity to one another. However, to my mind they are not typically produced by the same undertakings. This is particularly the case, since the precise nature of the respective goods is quite different. Neither are they complementary. Overall, these goods are similar to a medium degree.

The applicants' '*non-alcoholic preparations for making beverages*' and '*syrups for making beverages*' could be fruit based (such as squash, cordial or concentrated juices) and, therefore, there is a degree of overlap in nature with

the reputed goods. The purpose and method of use of these goods overlap, though there is also a difference; the opponent's goods are finished products which are ready to be consumed, whereas the applicants' goods require a process in order to make the preparations drinkable (such as adding water). The goods reach the market through overlapping trade channels; they are both sold in retail outlets and, although they are not commonly found alongside one another, they may be in fairly close proximity. There is a degree of competition between the respective goods as consumers could purchase the opponent's finished product or, instead, purchase the applicants' goods and make the drink themselves. Overall, I find that they are similar to a medium degree.

Although the applicants' *'beer'* and the reputed goods are both beverages, the nature of the respective goods differs in terms of their ingredients. Moreover, whilst both could be consumed for refreshment, the alcoholic nature of beer introduces a difference in purpose, i.e. to impart the effects of alcohol. In retail environments, the respective goods are not typically located particularly close to one another; they are usually found in discrete sections of those outlets. In hospitality environments, such as restaurants and bars, the goods may be in closer proximity. In this connection, the respective goods may both be located in chilled cabinets behind the bar; however, even in these circumstances, the goods tend to be kept on different shelves. The goods undergo different production processes and are not ordinarily produced by the same undertakings. They are not complementary. However, I accept that there may be a degree of competition between them, since a consumer could reasonably select one over the other (depending, for example, on whether they wish to feel the effects of alcohol). Whilst the respective goods may not be entirely dissimilar, I find that there is no more than a low degree of similarity between them.

As noted above, the goods under consideration differ somewhat to those considered under section 5(2)(b). Nevertheless, my findings at paragraph 26 regarding the average consumer of the goods and the nature of the purchasing process are equally applicable here.

The strength of the earlier mark's reputation

I have found that, on the basis of the evidence before me, the earlier mark enjoys a reasonably strong reputation in the UK.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use

I have found that, for some consumers, the earlier mark possesses a medium level of inherent distinctive character, which has been enhanced to between a medium and high level through use. For other consumers, the earlier mark has a high level of inherent distinctive character, which has been enhanced to a very high level through use.

Whether there is a likelihood of confusion

I have found there to be no likelihood of direct or indirect confusion for the reasons stated at paragraphs 53 and 56. I recognise that the reputed goods are different from those which formed the basis of my findings as to the similarity between the parties' goods under section 5(2)(b). However, to my mind, the reputed goods do not put the opponent in a more favourable position with regards to whether there is a likelihood of confusion. This is because the scope of the opponent's reputation is narrower than the protection offered by the specification of its registration; as can be seen from the above, the reputed goods are no more similar to the applicants' goods than those considered under section 5(2)(b). Consequently, even factoring in that the provisions of section 5(3) offer additional protection which takes into account the repute of the earlier mark, I still conclude that there is no likelihood of direct or indirect confusion.

66. I now return to the overarching question, which is whether, bearing in mind the above factors, a link will be made between the competing marks. Even in circumstances where the word 'Capri' in the earlier mark is not recognised as a reference to the Italian island, it is my view that, notwithstanding the strength of the opponent's reputation and the distinctive character of the earlier mark, the differences

between the competing marks are such that the relevant public – even paying a lower level of attention – is unlikely to make a link between them, even when they are applied to identical goods. Although the letters which comprise the contested mark are shared by the earlier mark, and appear in the same order, the earlier mark consists of two words, whereas the contested mark only consists of one. The letters common to the marks are conjoined in the contested mark to create one, invented word. Conversely, they are separated in the earlier mark and preceded by two additional letters. There is no shared concept between the competing marks. To my mind, the competing marks create different overall impressions and, in order for a link to be made, the relevant public would need to dissect and analyse the marks to a degree not typically undertaken when encountering trade marks. If any link is made, it will be too fleeting to result in any damage arising. As for the section of the relevant public who immediately recognise the word ‘Capri’ in the earlier mark to be a reference to the Italian island, I find that it is even less likely that the earlier mark would be brought to mind. This is because the earlier mark has less distinctive character for these consumers and the competing marks are less similar; in particular, the earlier mark will convey the meaning associated with the geographic location, an additional conceptual feature which is not replicated by the contested mark.

67. Consequently, the opponent’s claim under section 5(3) is dismissed.

Conclusion

68. The opposition based upon sections 5(2)(b) and 5(3) of the Act has been unsuccessful. Subject to any successful appeal, the application will proceed to registration in the UK.

Costs

69. As the applicants have been successful, they are entitled to a contribution towards their costs, based upon the scale published in Tribunal Practice Notice 2/2016.

70. I note that the forms filed in these proceedings (along with the opponent’s statement of grounds and the applicants’ counterstatement) were not particularly

complex. The applicants did not file evidence but did comment upon that filed by the opponent. A hearing took place, though the applicants elected not to attend or to file written submissions in lieu of a hearing. However, I note that the applicants filed brief written submissions during the evidence rounds.

71. In the circumstances, I jointly award the applicants the sum of **£900** as a contribution towards the cost of the proceedings. This sum is calculated as follows:

Considering the opponent's statement and preparing a counterstatement	£350
Considering and commenting upon the opponent's evidence ³⁸	£550
Total	£900

72. I therefore order Capri Sun AG to jointly pay Eckes-Granini Group GmbH and International Beer Breweries Ltd the sum of **£900**. This sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings (subject to any order made by the appellate tribunal).

Dated this 13th day of December 2022

James Hopkins
For the Registrar

³⁸ Although I note that the applicants filed written submissions during the evidence rounds, these largely consisted of their criticisms of the opponent's evidence. As such, whilst I do not make a separate award for the preparation of written submissions, I have factored an additional amount into that for commenting upon the opponent's evidence. This will avoid the duplication of costs for the same activity, while allowing for a contribution towards the cost of preparing those submissions not limited to the opponent's evidence. I also bear in mind that this section of the scale is for "preparing evidence and considering and commenting on the other side's evidence". Therefore, the award has been reduced to reflect the fact that the applicants filed no evidence.