

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No. 2070392  
TO REGISTER A SERIES OF FOUR TRADE MARKS  
IN THE NAME OF THE INFAMOUS NUT COMPANY LIMITED  
IN CLASSES 29 & 31**

**AND IN THE MATTER OF OPPOSITION THERETO  
UNDER No. 47392  
BY PERCY DALTON (HOLDINGS) LIMITED**

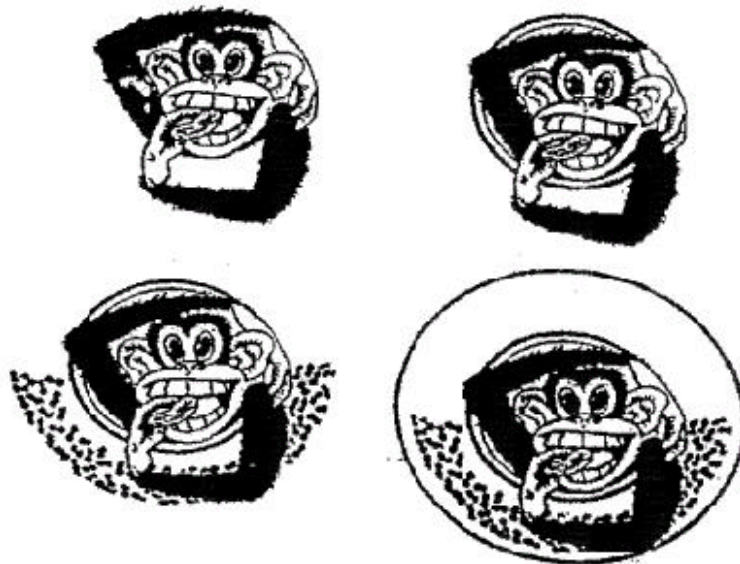
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**DECISION**

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**The Application**

1. By an application dated 8 May 1996 The Infamous Nut Company Limited (“the applicant”) applied to register the following series of four figurative marks:



2. The specified goods were:

Class 29: “Nuts; tree nuts, ground nuts and peanuts; all being shelled and/or roasted and/or otherwise processed.”

Class 31: “Nuts; tree nuts, ground nuts and peanuts; all being fresh and/or unprocessed.”

### **The Opposition**

3. On 21 August 1997 Percy Dalton (Holdings) Limited (“the opponent”) filed notice of opposition to the application. In summary, the opponent contended that registration should be refused because the applicant’s series of marks were:
- (i) likely to deceive the public into believing they were associated with the opponent’s earlier trade marks thereby offending section 3(3)(b) of the Trade Marks Act 1994 (“TMA”);
  - (ii) applied for in bad faith contrary to section 3(6) of the TMA;
  - (iii) within the area of protection afforded to the opponent’s earlier trade marks by section 5(2) of the TMA;
  - (iv) liable to be prevented in use by virtue of the law of passing off under section 5(4)(a) of the TMA.
4. The opponent cited the following earlier trade marks in support of its grounds of opposition:

<b>Trade Mark</b>	<b>Number</b>	<b>Date</b>	<b>Goods</b>
MONKIES & DEVICE	966175	10.10.70	Roasted peanuts (unshelled) in Class 29
Percy Dalton’s Monkies FRESH ROASTED PEANUTS IN SHELL & DEVICE	1174259	30.4.82	Peanuts included in Class 29
Percy Dalton’s Monkies RAW PEANUTS IN SHELL & DEVICE	1174260	30.4.82	Fresh peanuts in Class 31
MONKIES	1372081	30.1.89	Roasted peanuts included in Class 29
MONKIES	1372082	30.1.89	Fresh peanuts included in Class 31
ORIGINAL Monkies NATURAL FOOD & DEVICE	1488170	17.1.92	Roast peanuts; all included in Class 29

ORIGINAL Monkies NATURAL FOOD & DEVICE	1488171	17.1.92	Fresh peanuts; all included in Class 31
Percy Dalton's Monkies ROASTED PEANUTS IN SHELL & DEVICE	2033421	13.9.95	Roasted peanuts in Class 29

The opponent's above marks are reproduced at Appendix 1. It is relevant to mention that Registration no. 966175 disclaims exclusive use of the device of a peanut.

**The Opponent's Evidence**

5. The evidence in support of the opposition consisted of a statutory declaration of Simon Malvin Walters dated 26 November 1998. Mr Walters is an associate of Trade Mark Consultants Co. and trade mark agent for the opponent. He gives evidence as to the commencement and extent of the opponent's business under the cited marks and the background to the present opposition.
6. According to Mr Walters, the opponent started selling "nuts and similar products" in the 1930s and in 1952 set up Percy Dalton's Famous Peanut Company Limited. The device element in Registration no. 966175 was first used in 1968 and Mr Walters asserts that the opponent has since built up a significant reputation in this and the opponent's "other Monkey marks".
7. Mr Walters continues at paragraph 4 of his declaration:

Products sold under my client's monkey marks are of premium quality, sourced from countries such as the United States of America, and are sold throughout the UK. They have a turnover around £500,000 per annum, which has remained substantially constant over the last six years.

It is unclear from the evidence what products make up that annual turnover and to which of the opponent's earlier trade marks such turnover can be attributed.
8. In January 1996 the opponent informed Mr Walter's firm that the applicant was using a packaging design for peanuts that was similar to the opponent's packaging and included a monkey device.
9. The applicant company has a director, Mr Alan Short, who was formerly an employee of the opponents. On 26 January 1996, Trade Mark Consultants Co.

sent a recorded delivery letter to Mr Short at the applicant referring to “the latest letter of complaint from a customer who bought your MONKEY NUTS in mistake for my clients' MONKIES” and making a comparison between the respective packaging:

As you will no doubt be aware, the bags are remarkably similar in size, colour and printed matter and this has no doubt given rise to the confusion, aggravated by the fact that my clients’ marketing company is named Percy Dalton’s Famous Peanut Company whereas you have called yourself The Infamous Nut Company. Even the legend at the top of the package about “10% extra free – 154g for the price of 140g” printed in red and black on a yellow strip is identical.

Mr Short was asked to “ensure that confusion will be minimised in future” having been informed that the opponents were advised that they had a cause of action against the applicant in passing off.

10. The letter of 26 January 1996 is exhibited as SMW1 (document 1). Neither the alleged (or any other) letter of customer complaint nor the applicant’s or the opponent’s packaging referred to in the letter of 26 January 1996 were put forward in the opponent’s evidence.

11. The applicant responded by letter dated 17 April 1996 (SMW1, document 2):

Whilst we strongly repudiate your clients claims of passing off we do however agree there are certain similarities between our promotional pack and theirs.

For the sake of good order and to avoid any unnecessary legal costs we are prepared to re-design this pack on the understanding that we are able to use the balance of film we have in stock which is approx 100Kgs.

12. After an exchange of correspondence relating to using up the film (SMW 1, documents 3 – 7) the applicant confirmed by letter dated 24 February 1997 that it no longer held any stock of the film objected to and had no intention of reprinting film to that design.

#### **Applicant’s evidence**

13. The evidence in answer to the opposition consisted of a statutory declaration of Mr Ephry Eder dated 4 January 1999. Mr Eder is the applicant’s trade mark agent.
14. Mr Eder submits an extract from the Oxford English Dictionary defining “monkey nut” as “peanut” and an empty bag of peanuts purchased from a Tesco’s supermarket with “Roasted Monkey Nuts” written on the bag. His point is that “monkey nuts” is a popular and trade term for peanuts.

**Opponent's evidence in reply**

15. This consists of a further declaration by Simon Malvin Walters dated 26 April 1999.
16. Mr Walters provides a copy of a letter from the registry to Trade Mark Consultants dated 28 October 1997 giving details of the ex officio examination of the applicant's mark on relative grounds. By way of criticism of that examination Mr Walters points to the fact that there are only two registrations in Classes 29 and 30 [sic] other than those belonging to the opponent that feature primates. He comments that Registration no. 1221517 FILLA GORILLA and DEVICE in Class 29 is far removed from the opponent's mark and that the opponent is negotiating the removal of "nuts" from Registration no. 2118093 for a monkey device in the name of Marks and Spencer plc.
17. For reasons stated below, I do not consider the ex officio examination of the applicant's mark relevant to the present appeal.

18. **The Hearing Officer's decision**

The opposition proceeded to a hearing before Mr George W Salthouse acting on behalf of the registrar of Trade Marks on 4 September 2000. At the hearing the grounds of opposition under sections 3(3)(b), 5(3) and 5(4)(a) were withdrawn.

19. In his decision issued on 18 October 2000, the hearing officer rejected the remaining grounds of opposition under sections 5(2)(b) and 3(6) of the TMA.
20. For the purposes of section 5(2)(b) the hearing officer appeared to accept the opponent's argument that since all marks on the register referring to "monkies" or with a primate device in Classes 29 and 31 belonged to the opponent with the exception of the Marks and Spencer registration [sic]:

The goods contained within the specifications for the opponent's marks are all contained within the applicant's specification. The goods are therefore identical.

21. The comparison of marks proceeded on the agreed basis that Registration no. 966175 provided the opponent with the strongest case. The hearing officer concluded:

When considering the marks globally I take account that the term MONKEY is generic and the earlier mark therefore has low distinctive character. I also note the fact that the marks contain a device with analogous semantic content is insufficient to give rise to a likelihood of confusion in these circumstances, and that mere association (in the strict sense) is not enough to justify refusal. Therefore, notwithstanding the fact that the goods are identical and even allowing for the notion of imperfect recollection, it is my opinion that the trade marks are not similar enough to have given rise to a likelihood of confusion at 8 May 1996. The opposition under section 5(2) therefore fails.

22. Regarding the section 3(6) objection, the hearing officer noted that the onus was on the opponent to prove that the application was made in bad faith and that onus had not been discharged in this case.

**The appeal**

23. In November 2000, the opponent gave notice of appeal to an Appointed Person under section 76 of the TMA. It contended that the hearing officer should have refused the application under sections 5(2)(b) and 3(6) of the TMA and erred in finding that: the applicant's mark was not similar enough to the opponent's earlier trade marks (as cited) to give rise to a likelihood of confusion at 8 May 1996 under section 5(2)(b); the ex officio examination of the applicant's mark was sound; there was no bad faith on the part of the applicant under section 3(6).
24. More particularly, the opponent contends that although the hearing officer correctly sought guidance in applying section 5(2)(b) from the relevant European Court of Justice rulings, these cases were incorrectly applied to the opposition. The opponent relies on the comparisons between the marks put forward by Mr Walters in his statutory declaration of 26 November 1998.
25. Essentially the opponent argues that the main idea of the applicant's mark and the opponent's earlier trade marks especially Registration nos. 966175, 1174259 and 1174260 is a monkey holding a peanut in a shell. It is improbable that the customer will analyse stylistic differences in the marks and due to imperfect recollection is likely to be confused as to the origin of the respective goods.
26. Further, since the applicant's mark and the opponent's earlier trade marks can only be referred to as "monkey marks" there is a likelihood of confusion with all the opponent's earlier trade marks including the word marks.
27. As to section 3(6) the opponent says that the applicant had a relationship with the opponent, knew of the opponent's rights and objections before the present application was filed and had admitted similarities between the respective marks.

**Section 5(2)(b) of the TMA**

28. Section 5(2)(b) of the TMA (implementing art. 4(1)(b) of Council Directive 89/104/EEC) provides:
- 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.
29. As Mr Geoffrey Hobbs QC sitting as Appointed Person has remarked on several occasions (*RALEIGH INTERNATIONAL Trade Mark* [2001] RPC 202,

*10 ROYAL BERKSHIRE POLO CLUB Trade Mark* [2001] RPC 643) the single question to be addressed under section 5(2)(b) is whether there exists a likelihood of public confusion.

30. In assessing the likelihood of confusion for section 5(2)(b) account must be taken of all the circumstances of the case including: the degree of similarity between the earlier and later marks and between the goods or services in them, the likelihood that the public will make an association between the earlier and later marks and the distinctiveness of the earlier mark on the market (recital 10, Council Directive 89/104/EEC, *Sabel BV v. Puma AG*, Case C-251/95 [1997] ECR I-6191, para. 22).
31. It is clear that these factors are interdependent so that a lesser degree of similarity between the marks can be offset by a greater degree of similarity between the goods or services and vice versa (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Meyer Inc.*, Case C-39/97 [1998] ECR I-5507, para. 17).
32. Further, the more distinctive the earlier trade mark either per se or because of the reputation it enjoys on the market, the greater the likelihood of confusion (*Sabel BV v. Puma AG*, supra., para. 24, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Meyer Inc.*, supra., para. 18, *Lloyd Schufabrik Meyer & Co. GmbH v. Klijsen Handel BV*, Case C-342/97 [1999] ECR I-3830, para. 20).
33. In determining the distinctive character of the earlier trade mark, the court or tribunal must make an overall assessment of the mark's capacity to identify the goods or services for which it is registered as coming from a particular undertaking and thus to distinguish those goods or services from those of other undertakings (*Lloyd Schufabrik Meyer & Co. GmbH v. Klijsen Handel BV*, supra., para. 23).
34. In making that assessment account must be taken of the inherent characteristics of the earlier trade mark including whether it contains elements that are descriptive of the goods or services in the mark; the market share held by the mark; the intensity, geographical extent and longevity of use of the mark; promotional expenditure; the proportion of the relevant public which because of the mark identifies the goods or services as originating from a particular undertaking; statements from the trade (*Lloyd Schufabrik Meyer & Co. GmbH v. Klijsen Handel BV*, supra., para. 24).

**Decision on section 5(2)(b)**

35. It is impermissible for section 5(2)(b) collectively to group together several earlier trade marks in the proprietorship of the opponent.
36. Section 5(2)(b) speaks of registration being refused on the basis of an earlier trade mark (as defined by section 6). Thus where the opponent relies on proprietorship of more than one earlier trade mark, the registrability of the applicant's mark must be considered against each of the opponent's earlier trade marks separately (*ENER-CAP Trade Mark* [1999] RPC 362).

37. In some circumstances, it may be possible for the opponent to argue that an element in the earlier trade mark has achieved enhanced distinctiveness in the eyes of the public because it is common to a “family of marks” in the proprietorship and use of the opponent (*AMOR*, Decision no 189/1999 of the Opposition Division, OHIM OJ 2/2000, p. 235). However, that has not been shown by the evidence to exist in the present opposition and cannot, as contended by Mr Walters on behalf of the opponent, be presumed from the state of the register in Classes 29 and 31.
38. When each of the opponent’s earlier trade marks is viewed separately, it is clear that not all the goods in the applicant’s mark are identical to those in the opponent’s marks. Instead the applicant’s goods are variously identical or very similar. The hearing officer therefore erred in his finding that the goods were identical. However because of the near similarity of non-identical goods, I do not believe that error is pivotal to the hearing officer’s overall conclusion on section 5(2)(b).
39. The determination of likelihood of confusion involves a global appreciation of the visual, oral and conceptual similarities of the marks in question based on the overall impression given by the marks bearing in mind their distinctive and dominant components (*Sabel BV v. Puma AG*, supra., para. 23).
40. The opponent is correct to argue that the average consumer generally perceives the mark as a whole and does not proceed to analyse its various details. Nevertheless, it is permissible to look at the individual elements that make up the marks in order to arrive at what their overall impression on the relevant public might be.
41. The opponent has confirmed both before the hearing officer and on appeal that its best case resides in Registration no. 966175 reproduced below:



42. Mr Walters also relied on Registration no. 1174259 – Percy Dalton’s FRESH ROASTED PEANUTS IN SHELL & DEVICE – and Registration no. 1174260 – Percy Dalton’s RAW PEANUTS IN SHELL & DEVICE. But this was more in support of his argument of a “series” or family of “monkey holding a nut” marks belonging to the opponent rather than by way of direct comparison with the applicant’s mark. When viewed independently, Mr Walters accepted that Registration nos. 1174259 and 1174260 were further away from the applicant’s mark than Registration no. 966175.



43. Like the hearing on opposition, the hearing before me proceeded mainly on a consideration of Registration no. 966175.
44. The application is for a series of device marks only. Mr Walters pressed on me that the applicant's marks would be referred to orally as "monkey marks". He criticised the hearing officer's statement that:

The creature in the applicant's application could be deemed to be a chimpanzee or a general primate or monkey, it is not indisputably a monkey.

45. I think it highly improbable that the public would orally refer to the applicant's mark in order to identify a preferred brand of nuts since that would progress them no further. Instead, they are more likely to refer to any name used in conjunction with the applicant's mark. I therefore agree with the hearing officer that a phonetic comparison – even if Mr Walters were correct in assuming that the applicant's mark would be viewed as a monkey mark – is irrelevant in this case.
46. Visually the hearing officer noted that:

The opponent's mark (966175) shows the word MONKIES with a device of a cartoon-type primate holding an unshelled peanut with its hand and foot. The applicant's mark consists of a series of four cartoon-type representations of an indeterminate primate's head and shoulders, with the primate putting something in its mouth, possibly an unshelled peanut. Neither marks are straightforward representations of particular primate, both are fanciful representations.

To this I would add that at least the second, third and fourth marks in the applicant's series give the impression of a primate looking through an oval opening or porthole whereas the primate in 966175 is portrayed full-length in rather a contrived seated position.

47. The device of a peanut is disclaimed in Registration no. 966175. In *PACO/PACO LIFE IN COLOUR Trade Marks* [2000] RPC 451 Mr Allan James on behalf of the registrar held that disclaimers must be taken into account in determining likelihood of confusion under section 5(2) of the TMA. Part of his reasoning was to ensure consistency with the Community trade mark system. In *CHANTILLY POLO CLUB DEVICE/BEVERLY HILLS POLO CLUB DEVICE*, Case R 714/2000-1, 10 May 2001, the First Board of Appeal rejected the applicant's argument that the words POLO CLUB should be disregarded because they were disclaimed in the opponent's earlier trade marks:

... a disclaimer per se does not affect the assessment on the confusing similarity between two trade marks within the context of the opposition proceedings as provided for by the Community trade mark system.

48. I do not find it necessary to decide the significance of disclaimers to opposition proceedings under section 5(2) of the TMA. This is because I do not consider the device of peanut to be a dominant element in the opponent's mark and it is not, in any event, indisputably included in the applicant's mark.
49. Conceptually there is some similarity in that both marks contain representations of primates. The question is whether this is sufficient to give rise to likelihood of confusion in a trade mark sense.
50. Mr Walters took me to paragraph 26 of the *Lloyd Schufabrik* case, cited in the hearing officer's decision, where the Court of Justice made clear that in assessing likelihood of confusion account must be taken of the fact that a consumer's level of attention may vary according to the category of goods. Nuts are purchased from shop or supermarket display shelves, their packaging is "crinkled" and the overall impression the nut consuming public would get when viewing the opponent's and/or the applicant's products is "a monkey holding a nut".
51. I treat with caution Mr Walters' reliance on "crinkled" packaging as increasing any likelihood of confusion. I also bear in mind that earlier in the paragraph in *Lloyd* relied upon by Mr Walters, the Court of Justice describes the average consumer through whom likelihood of confusion is to be judged as reasonably well informed and reasonably observant and circumspect.
52. The global assessment of likelihood of confusion involves an assessment of the distinctiveness of the earlier trade mark. The concept of monkeys and nuts in the public mind are very closely linked. This is borne out by definition of "monkey nuts" provided in the applicant's evidence from the Oxford English Dictionary. I therefore find myself in agreement with the hearing officer that the opponent's mark is low in inherent distinctive character. The opponent's evidence has failed to show that Registration no. 966175 (or any other of the opponent's earlier trade marks) has achieved any enhanced distinctive character through use.
53. I am accordingly of the view that even allowing for imperfect recollection and the manner in which nuts are normally purchased, the hearing officer was justified in coming to the conclusion that there was no likelihood of confusion within the meaning of section 5(2)(b) of the TMA. I have in mind the following statement by the Court of Justice in the *Sabel* case at paragraph 25:

However, in circumstances such as those in point in the main proceedings, where the earlier trade mark is not especially well known to the public and consists of an image with little imaginative content, the mere fact that the two marks are conceptually similar is not sufficient to give rise to a likelihood of confusion.

**Section 3(6) of the TMA**

54. Section 3(6) of the TMA provides that:

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

55. Although there is some debate on whether “bad faith” requires dishonesty on the part of the applicant (see *Decon Laboratories v. Fred Baker Scientific Ltd* [2001] RPC 17) it is incontrovertible that bad faith is a serious allegation that must be proved (See Mr Simon Thorley QC sitting as Appointed Person in *LOADED Trade Mark*, SRIS O/455/00 and Mr Geoffrey Hobbs QC sitting as Appointed Person in *SMILEY DEVICE Trade Marks*, SRIS O/313/01).

**Decision on section 3(6)**

56. The hearing officer held that the objection under section 3(6) had not been made out. Although the opponent exhibited prior correspondence between the parties relating to packaging used by the applicant prior to the present application, that packaging was not supplied in evidence. Contrary to the opponent’s assertion, the applicant did not admit in its letter of 17 April 1996 that the respective marks were similar but that “there are certain similarities between our promotional pack and [the opponent’s]”.
57. The opponent’s evidence is purely circumstantial and is insufficient to justify refusal of the application under section 3(6).

**Relevance of the ex officio examination on relative grounds**

58. The opponent raises as a ground for appeal that the hearing officer erred in finding that the examination by the registry of the applicant’s mark was sound.
59. The examination by the registry of the applicant’s mark did not form part of Mr Salthouse’s decision on the opposition and cannot be a subject for this appeal.
60. Moreover, opponents have no standing to appeal against a decision of the registrar in the ex officio examination of a mark on relative grounds because they are not party to those proceedings (rules 62 – 63, Trade Marks Rules 2000).

**Conclusion**


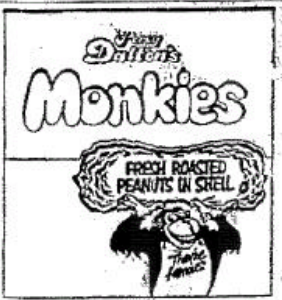

61. In the result the appeal fails. The applicant was not represented at the hearing. I have no reason to believe that it has incurred costs in connection with the opponent’s appeal. The appeal is therefore dismissed with no order as to costs.




Professor Ruth Annand  
17 September 2001

Mr Simon Walters of Trade Mark Consultants Co. appeared on behalf of the Opponent.

The Applicant was not represented.

APPENDIX 1

Trade Mark	Number	Filing Date	Class	Specification
 <p>Registration of this trade mark shall give no right to the exclusive use of the device of a peanut.</p>	966175	10/10/70	29	Roasted peanuts (unshelled)
 <p>In use in relation to peanuts other than fresh roasted peanuts in shells the Mark will be varied by the substitution of such peanuts for the words "Fresh roasted peanuts in shells".</p>	1174259	30/4/82	29	Peanuts included in Class 29.
 <p>It is a condition of registration that the words appearing in the Mark shall not be used as a varietal name.</p>	1174260	30/4/82	31	Fresh peanuts.

MONKIES	1372081	30/1/89	29	Roasted peanuts included in Class 29.
MONKIES	1372082	30/1/89	31	Fresh peanuts included in Class 31.
 <p>Registration of this mark shall give no right to the exclusive use of the words "Natural Food" and "Original".</p>	1488170	17/1/92	29	Roast peanuts: all included in Class 29.
 <p>Registration of this mark shall give no right to the exclusive use of the words "Natural Food" and "Original". It is a condition of registration that the mark shall not be used as a varietal name or part of a varietal name</p>	1488171	17/1/92	31	Fresh peanuts; all included in Class 31.
	2033421	13/9/95	29	Roasted peanuts.