

TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 2126739
BY THE SILVER SPRING MINERAL WATER COMPANY LIMITED
TO REGISTER A TRADE MARK
P C CLEAR
IN CLASS 32

AND IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 48501
BY LOBLAW COMPANIES LIMITED

BACKGROUND

1) On 14 March 1997, The Silver Spring Mineral Water Company Limited of Park Farm, Folkestone, Kent, CT19 5EA applied under the Trade Marks Act 1994 for registration of the mark P C CLEAR in respect of the following goods in Class 32: :

“Non-alcoholic beverages; soft drinks; carbonated soft drinks; fruit drinks; fruit-flavoured fizzy drinks; mineral water; flavoured mineral water; preparations for making non-alcoholic beverages”.

2) On the 6 May 1998, Loblaw Companies Limited of 22 St. Clair Avenue East, Suite 1901, Toronto, Canada, M4T 2S7 filed notice of opposition to the application. This was subsequently amended, the amended grounds of opposition are in summary:

a) The opponent is the successor in title to Glenmaple Overseas BV and is the proprietor of the four registered Trade Marks for “PC” (script) detailed at Annex A.

b) The mark applied for is devoid of any distinctive character comprising merely of the letters PC not shown in a distinctive manner and accompanied by the word CLEAR used to indicate the character or kind of goods. It therefore offends against Section 3(1)(b) of the Trade Marks Act 1994.

c) The mark applied for offends against Section 3(4) of the Act in that its use would be prohibited under UK common law under Section 10(2)(b) of the Trade Marks Act

d)The mark applied for is identical and/ or similar to the opponent’s mark and is sought to be registered for identical and/ or similar goods. The mark in suit therefore offends against Sections 5(1), 5(2)(a) and 5(2)(b).

3) The applicant subsequently filed a counterstatement denying the opponent’s claims.

4) Both sides filed evidence in these proceedings. Both sides ask for an award of costs. The matter came to be heard on 21 November 2001 when the applicant was represented by Mr Edenborough of Counsel instructed by Messrs JY & GW Johnson, and the opponent by Ms Clark of Counsel instructed by Messrs Maguire Boss.

OPPONENT'S EVIDENCE

5) The opponent filed a declaration, dated 8 April 1999, by Marian M Burrows the Assistant Secretary of the opponent company, a position she has held since 1991. She states that she has been associated with the Food Industry since 1978 and has some knowledge of the Supermarket Industry.

6) Ms Burrows states that the opponent has the trade marks "President's Choice" and "PC" registered in a number of countries around the world and that goods under these brands are sold in numerous countries. She states that both these marks were first used in Canada in 1983. Evidence of use in Canada is provided at exhibit MMB2. Sales figures for North America were also provided. As these exhibits do not refer to use in the UK I do not consider them of use in my decision, given the grounds of opposition pleaded.

7) Ms Burrows states that the opponent's trade mark 1533203 is identified as the letters PC on the UK Registry database and provides evidence at MMB4 that searches for the letters PC in food classes will bring up the opponent's mark. She also alleges that the applicant's mark has not been used in the UK. However, the applicant sells carbonated fruit drinks under the "perfectly Clear" mark in the UK. At exhibit MMB5 an example of the bottle used by the applicant is provided. Ms Burrows states that when purchased it contained a transparent or clear liquid. She states her opinion that were the mark in suit applied to such a liquid then the average consumer would assume that the "clear" part of the mark was a reference to the contents and that the product was part of her companies "PC" or "President's Choice" range. Her views regarding the term are confirmed she claims by the use by other companies in the UK. At exhibit MMB6 is a bottle which contained flavoured water. This is marketed under the name "Strathmore Clear".

8) Ms Burrows claims that each part of the specification of the mark in suit should be preceded by the word "clear" so as not to mislead purchasers. She suggests that without such a limitation the mark is misleading. She then states "However, the limitation as described is applied to the goods then I would suggest the mark, being the subject of these proceedings is devoid of distinctive character as described in section 3(1)(b) of the Trade Marks Act 1994".

9) Finally, Ms Burrows claims that the mark in suit being essentially a two letter mark was not acceptable under Registry practice at the time it was advertised on 11 February 1998.

APPLICANT'S EVIDENCE

10) The applicant filed a declaration dated, 8 February 2000, by James M Ludlow the Managing Director of the applicant company, a position he has held since 1990.

11) Mr Ludlow states that since February 1995 his company has sold carbonated drinks under the trade mark "Perfectly Clear". He claims that retail sales between launch and March 1997 "were substantially in excess of £14million". He also claims that by March 1997 the product was "frequently abbreviated and referred to colloquially as *PC*, so that *PC Clear* and *PC Perfectly Clear* would have been recognised as referring to soft drinks marketed by SS [the applicant] at that date".

12) Mr Ludlow states that he is unaware of any use in the UK of the opponent's mark and that the opponent has provided no evidence of such use. He also asserts that the opponent's logo may have been intended to comprise an extremely stylised version of the letters PC as an abbreviation of the mark "President's Choice" but that what counts is not what the opponent intended "but the message conveyed by the logo to the average potential customer". He claims that the absence of use of the "President's Choice" mark in the UK would mean that consumers had no point of reference and so would view the mark in isolation. In which case he claims it would be seen as either a meaningless squiggle, or the letters BC or even 8C.

13) Mr Ludlow states that the UK Registry have to classify the logo for search purposes and claims that it may have been classified as PC because the opponent or their attorneys so identified it during registration.

OPPONENT'S EVIDENCE IN REPLY

14) The opponent filed a second declaration, dated 8 March 2001, by Ms Burrows.

15) At exhibit MMB1 to this declaration Ms Burrows provides a copy of an advertisement said to be from the Sunday Independent (dated 4 January 1998). This shows items such as "PC Orange Juice", "PC Country Mix", "PC Crisps" as well as items such as "Honey Roast Ham" and "Grapefruit". The letters "PC" are in normal typeface and are not stylised in any way. The advertisement is for Tesco, Quinnsworth and Crazy Prices stores. Ms Burrows states that at this time the mark was licensed to Tesco and its associate companies. She claims that this is stated in the exhibit. However, this cannot be read in the copy provided at the exhibit.

16) At exhibit MMB2 Ms Burrows provides an extract from the magazine "Checkout Ireland" which has an article entitled "Premium Choice to go by the year end". Ms Burrows claims that the article makes it clear that the mark was used in Northern Ireland. I do not agree with this contention as the article refers to complaints from other sellers about "Premium Choice" products having UK VAT numbers. In my view the article refers to selling goods in Eire.

17) At exhibit MMB3 Ms Burrows provides copies of labels from a wide range of products which have the opponent's logo trade mark between the words "Premium Choice". She states that these products were sold in supermarkets in both Northern Ireland and Eire from 1996. She claims that the words Premium Choice are "purely descriptive" and that "potential customers would conclude that the meaning intended to be conveyed by my company's logo is indeed PC being both an abbreviation for Premium Choice and my company's main trade mark President's Choice".

18) That concludes my review of the evidence. I now turn to the decision.

DECISION

19) At the hearing Ms Clark withdrew the ground of opposition based upon Section 3(1)(b). She also requested an amendment to the pleadings, contending that whilst the applicant had

pleaded under Section 3(4) the wording used indicated a reference to passing off. However, she also accepted that the evidence “does not advance our case under Section 5(4) much further than I get under 5(2)”. The request to amend was refused.

20) The next ground of opposition is under Section 5 (1), (2)(a) & (2)(b) of the Act which states:-

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

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

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

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

21) An earlier right is defined in Section 6, the relevant parts of which state

6.- (1) In this Act an ‘earlier trade mark’ means -

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

(b)...

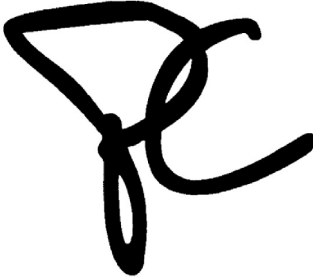
(c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention as a well known trade mark.”

22) As is clear from the Annex to this decision the opponent is relying on four registrations, all of which consist of the same device mark. At the hearing Ms Clark for the opponent considered that the opponent’s strongest case was under registration 1533203. This trade mark is registered for “fruit juices; fruit drinks; mineral and aerated waters; non-alcoholic drinks; all included in Class 32.”

23) The application in suit has a specification of “Non-alcoholic beverages; soft drinks; carbonated soft drinks; fruit drinks; fruit-flavoured fizzy drinks; mineral water; flavoured mineral water; preparations for making non-alcoholic beverages”. The applicant accepted that the goods of both parties are similar. However, the opponent’s earlier mark is registered for “Non-alcoholic drinks”. Therefore, in my view the applicant’s specification encompasses the whole of the goods in the opponent’s specification. For the purposes of the global assessment

the goods must be regarded as identical. .

24) For ease of reference both parties trade marks are reproduced below:

Applicant's mark	Opponent's mark
P C CLEAR	

25) I first turn to the ground of opposition under Section 5(1). Ms Clark stated that the mark in suit was identical to her client's mark as two marks consisted of the letters PC. She contended that the stylisation of the letters in the opponent's mark was such that the average consumer would view the mark as simply a handwritten form of "PC" and that fair and normal use of the applicant's mark would allow them to use a handwritten version. As to the word "Clear" in the mark in suit this she termed a descriptor and claimed that it would not be seen as part of the trade mark.

26) I do not accept that I can simply ignore the presence of the word "Clear" in the applicant's mark. Clearly the presence of the word ensures that whatever my views on the issue of the letters "PC" and stylisation, the marks are not identical for the purposes of Section 5(1). The opposition under this section must therefore fail.

27) I next consider the opposition under Section 5(2). I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel Bv v Puma AG* [1998 RPC 199], *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc.* [1999] E.T.M.R. 1, *Lloyd Schfabrik Meyer & Co. GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R 723. It is clear from these cases that: -

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel Bv v Puma AG* page 224;

(b) the matter must be judged through the eyes of the average consumer, of the goods / services in question; *Sabel Bv v Puma AG* page 224, 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; *Lloyd Schfabrik Meyer & Co. GmbH v Klijsen Handel B.V.* page 84, paragraph 27;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel Bv v Puma AG* page 224;

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel Bv v Puma AG* page 224;

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc.* page 7 paragraph 17;

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it; *Sabel Bv v Puma AG* page 8, paragraph 24;

(g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel Bv v Puma AG* page 224;

(h) further, 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; *Marca Mode CV v Adidas AG* page 732, paragraph 41;

(i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc.* page 9, paragraph 29.

28) It is clear from the above cases that in the overall assessment of a likelihood of confusion, the identical nature of the goods is but one aspect. Due regard should be given to the closeness of the respective marks, the reputation the earlier mark enjoys in respect of the goods or services for which it is registered, and any other relevant factors.

29) In comparing the marks visually Ms Clark contended that although the opponent's mark was stylised the average consumer would look at the mark and view it as a handwritten version of the letters "PC". She also pointed out that anyone carrying out a search of the Register under the letters "PC" would come across her client's mark. Therefore, she claimed, that members of the public "if they see another product which has PC on it, even if that other product is written in plain script, that is not something which is going to alert them to the fact that these goods are from a different source".

30) In considering this issue I take into account the (unreported) comments of Mr Simon Thorley sitting as a Deputy Judge of the High Court in the case of *Anheuser v Busch Inc.* dated 3 December 2001. At paragraph 31 he states:

"Secondly I believe that Mr Salthouse was wrong in seeking to ascertain what was the central message of the mark. This is not the statutory test. The fact that the words Budweiser Budbrau are the most striking feature of the mark can make no difference. If Mr Salthouse were right then I anticipate that in a majority of cases use of a trade mark in ordinary letters, whether in upper or lower case, would constitute use of a stylised version of the mark. As a matter of generality that must be wrong."

31) Although in the above case the learned judge was considering non-use under Section 46 of

the Act, the principle outlined in his comments are clearly applicable in the instant case.

32) When considering the visual similarity I have to take Ms Clark's contention that the stylisation of the letters in the opponent's mark was such that the average consumer would view the mark as simply a handwritten form of "PC" into consideration. However, I disagree with her contention. The opponent's mark is highly stylised to an extent that, in my view, it is far from certain that consumers would identify the letters "PC" in the mark. Even if I were to accept that the majority of consumers would consider the opponent's mark to be the letters "PC" I do not accept that the average consumer, when viewing the letters "PC" printed in block letters, would associate the product as one supplied by the opponent.

33) I must also consider that the applicant's mark consists of the letters "PC" and the word "Clear". I was referred to the case of *Decon Laboratories v Fred Baker Scientific* [2001] RPC 293 and it was claimed that the applicant's mark was the letters PC with a non-distinctive suffix. Ms Clark contended that the word "Clear" in the mark in suit was a descriptor and claimed that it would not be seen as part of the trade mark. This was based on the assertion that mineral water, flavoured mineral water and "lots of other drinks" are clear. Alternatively, it was claimed that the word would be seen as implying that there were "no foreign bodies or other nasty matters" in them. Whilst I accept that some drinks, particularly mineral waters, are transparent or "clear" I do not accept that the public will automatically see the word as a descriptor and not as part of the trade mark.

34) In my view, even if I were to disregard the word "clear" as being a descriptor, the marks are not visually similar. In support of this view, I look to the comments of Mr Simon Thorley referred to earlier in this decision at paragraph 30. I also consider that the stylisation of the opponent's mark is likely to be fixed in the average consumers' mind.

35) Phonetically, if I accept that the opponent's mark is for the letters "PC" (and I do not) then clearly the marks have the same beginning. However, the mark in suit also contains the word "clear". It is an accepted convention that differences to short trade marks carry more significance. To my mind the marks are phonetically different.

36) Neither mark has any conceptual meaning in relation to the goods in question.

37) Beverages or drinks are not, I would suggest, chosen without some consideration. Whilst not wishing to overstate the case, the average consumer of such products would, in my opinion, exercise some care in the selection. Even so allowance must be made for the notion of imperfect recollection.

38) Ordinarily I would also consider whether the opponent's mark has a particularly distinctive character either arising from the inherent characteristics of the mark or because of the use made of it. However, the evidence of use filed was such that even the opponent's counsel accepted that her client could not claim enhanced reputation. In such circumstances the opponent's marks cannot be regarded as enjoying an above average reputation at the relevant date. But I accept that the device is an inherently strong mark.

39) Ms Clark also contended that I must consider the normal and fair use of the applicant's mark, which would include use in a handwritten form which would infringe on her client's rights. In my view, the comments of Deputy Judge Thorley (see paragraph 30 above) provide

clear guidance. If use of a trade mark in ordinary letters does not constitute use of a stylised trade mark, then conversely use of a stylised trade mark does not constitute use of a trade mark registered in ordinary letters.

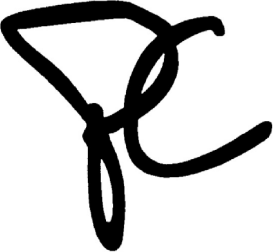



40) With all of this in mind I come to the conclusion that when all the factors are considered, that there was no likelihood of confusion at 14 March 1997. Consequently, the opposition under Section 5(2)(b) fails.

41) The opposition having failed the applicant is entitled to a contribution towards costs. I order the opponent to pay the applicant the sum of £1835. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 12 day of March 2002

George W Salthouse
For the Registrar
The Comptroller General

ANNEX A

Mark	Number	Effective Date	Class	Specification
	1533203	17.4.93	32	Fruit juices; fruit drinks; mineral and aerated water; non-alcoholic drinks; all included in Class 32.
	1533201	17.4.93	29	Peanut butter; raisins; prepared nuts; frankfurters; frozen entrees; frozen hors d'oeuvres and frozen fruit pies; cooking oil; potato chips and potato crisps; jams; soups, being canned and dried; fruits and vegetables, all being frozen or canned; frozen or canned fish and shrimp; preparations of cheese; snackfoods and prepared meals; cooking spray; all included in Class 29.
	1533202	17.4.93	30	Sauces; dried and fresh pasta; breakfast cereals; coffee; tea; crackers; cookies; flour and preparations made from cereals; popcorn and popped popcorn; spaghetti sauce; condiments; salt and spices; syrup; prepared meals and snack meals; salsa; salad dressings; preparations of macaroni; all included in Class 30.
	1534576	29.4.93	31	Fresh fruits and vegetables; natural plants and flowers; foodstuffs for animals; all included in Class 31.