

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK REGISTRATION NO 1357980
IN THE NAME OF FERRERO S.P.A.**

AND

**IN THE MATTER OF AN APPLICATION FOR REVOCATION AND A
DECLARATION OF INVALIDITY THERETO UNDER NO 9546 BY
SOLDAN HOLDING & BONBONSPEZIALITATEN GMBH**

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in the name of Ferrero S.p.A.**

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**IN THE MATTER OF an Application for Revocation
and a Declaration of Invalidity thereto under No 9546
by Soldan Holding & Bonbonspezialitäten GmbH**

BACKGROUND

1. On 30 April 1997, Soldan Holding & Bonbonspezialitäten GmbH of Nurnberg, Germany, applied to revoke and have declared invalid trade mark registration No: 1357980 standing in the name of Ferrero S.p.A. of Cuneo, Italy. The registration is in respect of the trade mark **KINDER MILK SLICE** which stands registered for a specification of goods reading:

“Bread, pastry, confectionery, cakes, all containing milk or fillings made from milk and all included in Class 30”.

2. The registration was filed on 23 September 1988 and the registration procedure completed on 6 July 1990. I note that the registration is subject to the following disclaimer:

“Registration of this mark shall give no right to the exclusive use of the words "Milk Slice”.

3. The applicants express the basis of their attack in the following terms:

“1. Our enquiries have revealed that registration No: 1357980 has not been genuinely used in the UK by the registered proprietor or with its consent on any of the goods for which it is registered during the past five years.

2. It is contended that there are no proper reasons for non-use.

3. That the trade mark was invalidly registered in that it was not at the date of registration distinctive or alternatively it should be revoked as no longer being distinctive.

4. It is therefore contended that the registration offends against Sections 46 and 47 and the applicant therefore requests that the registration is revoked and accordingly removed from the register for all of the goods for which it registered; **in the alternative partial revocation is requested in respect of goods in relation to which the mark has not been used under Section 46.**”

4. On 13 August 1997, the registered proprietor filed a counterstatement. This reads as follows:

“1. Paragraphs 1 and 2 of the Statement of Grounds are denied. The trade mark subject of registration No 1357980 has during the five years prior to the date of the application for revocation been used in relation to the goods for which it is registered by the registered proprietor or with its consent.

2. Paragraphs 3 and 4 of the Statement of Grounds are denied. The trade mark was distinctive at the date of registration and is still distinctive. It is denied that the registration offends against Section 46 and 47 of the Trade Marks Act 1994.

3. The registered proprietor therefore requests that in view of the foregoing circumstances (a) that the application for invalidation be dismissed and the registration be upheld, (b) costs in these proceedings be met by the applicants for invalidation, and (c) any alternative or additional relief be awarded to the registered proprietor as appropriate.

4. The registered proprietor also requests that the registrar (a) remove paragraph 3 from the Statement of Grounds in that the applicants seek only to revoke the registration and the grounds set out in paragraphs 3 do not constitute grounds to revoke a registration and (b) remove all references to Section 47 in paragraph 4 of the Statement of Grounds in that the section relates to grounds for invalidity of the registration and the applicants have not requested a declaration of invalidity”.

5. On 16 August 2001 the applicants sought to amend their Form TM26 to reflect that they were seeking both revocation and invalidation actions in these proceedings and also to amend the claim in paragraph 4 of their Statement of Grounds (by the addition of the words shown in bold above), a request to which the registered proprietors did not object and to which the Trade Marks Registry acceded. However, I note that the applicants did not choose to amend their Statement of Grounds to particularise the sub-sections of Section 47 of the Act on which they intend to rely. I shall return to this point later in my decision.

6. Both sides seek an award of costs. Both sides filed evidence. The matter came to be heard on 29 May 2002. At the Hearing the registered proprietors were represented by Mr Michael Edenborough of Counsel instructed by Taylor Joynson Garrett, Solicitors; the applicants for revocation and invalidation were represented by Mr Richard Arnold of Her Majesty’s Counsel instructed by Boulton Wade Tennant, Trade Mark Attorneys and Carpmaels & Ransford, Trade mark Attorneys.

Registered Proprietors’ Evidence

7. This consists of a declaration dated 7 August 1997 by Vivienne Wooll. Ms Wooll states that she is the Manager External Affairs of Ferrero UK Limited, a member company of Ferrero Group (the Group) of which Ferrero SpA of Cuneo, Italy and Soremartec S.A. of Schoppach-Arlon, Belgium are also members (the Companies). Ms Wooll has held her current position since 1985; she confirms that she is authorised to make her declaration on

behalf of the companies and that the information in her declaration comes from either her own knowledge or from the records of the companies to which she has full access. The following points emerge from Ms Wooll's declaration:

- that the KINDER MILK SLICE trade mark was first used by the Group in the United Kingdom at test sites in 1985 adding that it has been used on goods covered by the registration in suit. A sample of the packaging of the goods sold by the Group under the KINDER MILK SLICE trade mark is provided in exhibit VW1;
- that goods have been sold by the Group under the KINDER MILK SLICE trade mark throughout the United Kingdom. The goods were, says Ms Wooll, originally sold at test sites on a small scale from 1985 and in May 1989 the goods were launched on a large scale in the South East of England. Sales of the goods were extended to London and the Midlands in 1990 and continued on an increasing scale until 1992. During 1992-1993 the goods were withdrawn from sale in the United Kingdom whilst an extensive re-evaluation of the marketing strategy was undertaken. The goods sold under the KINDER MILK SLICE trade mark were re-launched in the United Kingdom in September 1994. The initial re-launch took place in Scotland and the Borders. Sales extended to Northern Ireland in 1995 and the next sales target is, says Ms Wooll, the Tyne Tees area.
- that goods are or have been sold by the Group under the KINDER MILK SLICE trade mark in the United Kingdom in branches of at least the following retail outlets: Sainsburys, Tesco, Safeway, Gateway, Kwik Save and the Co-Op with sales by such retailers representing 80% of the sales of goods under the KINDER MILK SLICE trade mark. Exhibit VW2 consists of sample invoices of goods sold under the KINDER MILK SLICE trade mark;
- turnover figures together with the numbers of pieces sold under the trade mark KINDER MILK SLICE are provided from 1985/86 to 1995/96. Sales under the KINDER MILK SLICE trade mark in this period amounted to approximately £4.3m and 17.3m pieces;
- that the company has promoted the KINDER MILK SLICE trade mark in the United Kingdom by both television and point of sale advertising with approximately £1.3m spent in this respect in the period 1989-1996/97. I note that television advertising in the Meridian, London and Central TV areas took place in the period 1989 to 1990 with exhibit VW3 consisting of a video recording of a typical television advertisement.

8. Ms Wooll concludes her declaration in the following terms:

"It is therefore submitted that registration No 1357980 has been genuinely used in the UK during the past five years prior to the application for revocation, 29 April 1997. Apart from the brief period in 1992/1993, use of the mark has been continuous and the mark used has been KINDER MILK SLICE the mark that appears on the register."

Evidence of the Applicants for Revocation/Invalidation

9. This consists of a declaration dated 15 October 1998 by David John Rickard. Mr Rickard confirms his position as a trade mark agent, solicitor and a partner in the firm of Boulton Wade Tennant. He confirms that his declaration is based on his own knowledge and on documents to which he refers. His declaration is reproduced verbatim below:

“2. Now produced and shown to me marked exhibit DJR1 are copy extracts from the 1997 edition of Statistisches Jahrbuch produced by Statistisches Bundesamt. The extracted page 273 relates to tourism in Germany. On page 273 numbers of tourists visiting Germany from various countries are shown for 1996. 1,350,400 tourists from the UK, including Northern Ireland, visited Germany. 2,946,700 nights were spent by UK tourists in Germany. Extracted page 82 shows the number of Germans emigrating to various countries. In 1996 in excess of 20,000 Germans migrated to the United Kingdom (including Northern Ireland). Also included in exhibit DJR-1 is a copy extract from the 1997 edition of the Austrian Tourist Office Annual Report. In 1997 531,926 tourists from the UK visited Austria. 2,478,040 nights were spent by UK tourists in Austria in 1997.

3. Now produced and shown to me marked exhibit DJR-2 are copy extracts from two books available in the United Kingdom namely “German In Three Months” published by Hugo’s Language Books Limited and “Ealing Course in German” published by Longman. These books teach German language to English speakers. I note from the “German-English vocabulary” section of the Hugo book that the word “kinder” means “child”. Lesson 1 of the Hugo book deals with the general principles of speaking German and in particular, “the alphabet, spelling and pronunciation, vowels and vowel combinations, consonants, punctuation and stressed syllables”. Lesson 2 deals with “greetings, every day phrases”, “gender” and other basics. In lesson 2, the reader is introduced to certain German words. On page 23 the word “kind” is taught and is said to mean “child”. On page 24 the reader is taught the plural of the noun is “kinder”. This lesson includes various exercises which make reference to the words “kind” and “kinder”. In the Longman book, the reader is introduced to the word “kinder” in lesson 3. In both books, the word “kinder” is introduced at an early stage in the lessons programs.

4. When studying for European Patent Examinations, I learnt some German language. One of the earliest words which I learnt was “kinder” meaning “child”. I believe that this word is taught to students learning the German language at an early stage in most cases in the UK. The word “kinder” is one of the German words which I still recall from my lessons including its meaning of “child”. This word has made its way into the English language in words such as “kindergarten”.

5. Also included in exhibit DJR-2 is a copy extract from the Times Educational Supplement of 28 August 1998 listing the numbers of students who sat various GCSE exams in 1997 and 1998. German was the second most popular foreign language subject and apparently the tenth most popular course overall. I note that the total

number of students who sat the exam for German in 1998 was 133,683. The number of 1997 was 132,615.

6. Now produced and shown to me marked exhibit DJR-3 is a copy extract from the Shorter Oxford Dictionary. The word “kind” is a well known English word and the word “kinder” is a variation of the word “kind”. It means more “acceptable, gentle, agreeable, soft”. I also note that the German word is listed with its English meaning of “children” thereby establishing that it is recognised generally in the UK. Also included in Exhibit DJR-3 are copy extracts from Dutch-English, Afrikaans-English, German-English and Spanish-English dictionaries. Each of these shows that the word “kind” and “hence “kinder” are words in these languages.”

Registered Proprietors’ Further Evidence

10. This consists of a statutory declaration dated 15 April 1999 by James Setchell. Mr Setchell is a Trainee Trade Mark Attorney at Haseltine Lake Trademarks who are the registered proprietors’ professional representatives in these proceedings. Exhibit JCS2 to his declaration consists of a copy of the declaration and exhibits of Vivienne Wooll dated 5 February 1999 originally filed in Opposition proceedings No 47935. The main points arising from this declaration are, in my view, as follows:

- that Ferrero UK Limited is the sole importer of Ferrero products in the United Kingdom;
- that the KINDER trade mark was first used by the Group in the United Kingdom in 1967 and that the Group have sold the following KINDER products in the United Kingdom: KINDER MILK SLICE, KINDER SURPRISE, KINDER CHOCOLATE, KINDER MAXI, KINDER BUENO and KINDER JOY. These are collectively referred to as the products. Photocopies of the packaging of the products (except KINDER MAXI sold by the Group under the KINDER trade mark are provided in exhibit VW1;
- that products have been sold by the Group under the KINDER trade mark in the United Kingdom and that products have been available in branches of at least the following retail outlets: Sainsburys, Tesco, Safeway, Gateway, Kwik Save and the Co-Op. Exhibit VW2 consists of sample invoices of products sold under the KINDER trade mark;
- exhibit VW3 consists of a table showing sales in tonnes, consumer units and net revenue of products in the United Kingdom since 1967. I note that the net revenue under the respective trade marks in the periods indicated is as follows: KINDER MILK SLICE (1986/87-1994/95) - £3.2m; KINDER SURPRISE (eggs) (1980/81 - 1994/95) - £91.3m; KINDER CHOCOLATE (packs) (1986/87-1994/95)- £2.7m; KINDER MAXI (1990/91-1993/94) - £313K and KINDER BUENO (1990/91-1994/95) - £ 2.8m and that invoiced sales in the UK of goods sold under the KINDER JOY trade mark in the period September 1995 to August 1997 amounted to some £700k;

- approximate annual amounts spent on advertising the various trade marks is provided as is said to be as follows: KINDER SURPRISE - between 1983 and 1994/1995 approximately £12m; KINDER BUENO - between 1992 and 1994/95 approximately £197k; KINDER CHOCOLATE - between 1987 and 1994/95 approximately £300k and KINDER MILK SLICE - between 1989 and 1994/95 approximately £900k. Exhibits VW4 and VW5 consist respectively of: copies of advertising material for certain of the products together with catalogues and other literature produced by the Group and a video containing television advertisements for the trade marks KINDER MILK SLICE (1989-1990), KINDER SURPRISE (shown since 1995) and KINDER BUENO (shown in 1994 and 1995).

11. Exhibit JCS3 to his declaration consist of copies of the declarations and associated exhibits of Christopher Benson, Wolfgang Kotzur, Christopher Miller and Sylvia Rodrigues also originally filed in Opposition proceedings No 47935. The content of the declarations of Mr Benson and Mr Kotzur are reproduced verbatim below:

Mr Benson

- “1. I am a solicitor in the firm of Taylor Joynson Garrett, solicitors for Ferrero SpA and Soremartec (the opponents) in this matter. Save where otherwise appears, the facts of the matters to which I depose are within my personal knowledge through my involvement in this matter. Insofar as I rely on information communicated to me by third parties, I believe this information to be true.
2. On 3 September 1998, I travelled with colleagues to Dartford in Kent in order to conduct surveys involving members of the public.
3. There is now produced and shown to me marked CJB 1 a copy of the questionnaire used for the survey which I and my colleague Christopher David Miller carried out.
4. The survey took place at the Royal Victoria and Bull public house in Dartford. Members of the public were approached on the street outside by representatives of Field Management Limited and recruited for a face to face interview.
5. I interviewed members of the public brought to me by agents of Field Management and recorded their responses on a questionnaire.
6. There is now shown to me and marked CJB2 copies of the photocopies referred to at question one. I showed the interviewee the KINDER SURPRISE egg when asking question eight.
7. I confirm that the interviewees were not at any stage led or encouraged to give answers that would assist the opponents or which were detrimental to the case of Soldan Holding & Bonbonspezialitäten GmbH. All the interviews I carried out during the survey I conducted openly and honestly and interviewees responses were recorded in their entirety.

8. I interviewed and completed questionnaires for 29 people in total. There is now produced and shown to me marked CJB3 copies of all the original completed questionnaires showing the results of all the interviews which were conducted by me in respect of this survey in Dartford.

9. I have read Christopher David Miller's affidavit and the replies of the 16 members of the public he questioned.

10. The following result emerges from the survey:-

In response to question 12, 28 out of the 45 people questioned (62.22%) said they would be surprised that there was no connection between KINDER EUKAL, KINDER EM EUKAL and KINDER FUR KINDER (sic) on the one hand and "the people who make KINDER SURPRISE" on the other.

11. I have read the declarations of Michelle Sylvia Rodrigues and Wolfgang Kotzur and the replies of the 40 members of the public they questioned.

12. The following results emerge from the survey:-

12.1 In response to question 1, what does the word KINDER mean to you, 27 people out of the 40 questioned (67.5%) said only either chocolate, egg, chocolate egg or Kinder egg. 1 person said both children and Kinder egg.

12.2 Of the six people who only said child or children in response to question one, four of them said chocolate egg when asked what the word KINDER means to them in respect of food in response to question 2."

Mr Kotzur

"1. I am trainee solicitor in the firm of Taylor Joynson Garrett, solicitors for Ferrero SpA and Soremartec (the opponents) in this matter. Save where otherwise appears, the facts of the matters to which I depose are within my personal knowledge through my involvement in this matter. Insofar as I rely on information communicated to me by third parties, I believe this information to be true.

2. On 3 September 1998, I travelled with colleagues to Dartford in Kent in order to conduct surveys involving members of the public.

3. There is now produced and shown to me marked WK1 a copy of the questionnaire used for the survey which I and my colleague Michelle Sylvia Rodrigues carried out.

4. The survey took place at the Royal Victoria and Bull public house in Dartford. Members of the public were approached on the street outside by representatives of Field Management Limited and recruited for a face to face interview.

5. I interviewed members of the public brought to me by agents of Field Management

and recorded their responses on a questionnaire.

6. There is now shown to me and marked WK2 the KINDER word card referred to at question one. I showed the interviewee the KINDER SURPRISE egg when asking question four, the packaging of the KINDER CHOCOLATE product asking question nine, the packaging of the KINDER BUENO product when asking question fourteen and the KINDER JOY product when asking question nineteen.

7. I confirm that the interviewees were not at any stage led or encouraged to give answers that would assist the opponents or which were detrimental to the case of Soldan Holding & Bonbonspezialitäten GmbH. All the interviews I carried out during the survey I conducted openly and honestly and interviewees responses were recorded in their entirety.

8. I interviewed and completed questionnaires for two people in total. There is now produced and shown to me marked WK3 copies of all the original completed questionnaires showing the results of all the interviews which were conducted by me in respect of this survey in Dartford."

12. I note that the declarations of Mr Miller and Ms Rodrigues are in virtually identical terms to those of their colleagues completing the respective surveys (Mr Benson in the case of Mr Miller and Mr Kotzur in the case of Ms Rodrigues) varying only to the extent necessary to identify the number of members of the public they interviewed (16 in the case of Mr Miller and 38 in Ms Rodrigues's case). The conclusions to be drawn from the results of these two surveys from the opponents' standpoint is contained in Mr Benson's declaration above; I shall return to this survey evidence later in my decision.

Evidence-in-reply of the Applicants for Revocation/Invalidation

13. This consists of a statutory declaration dated February 2001 by Teresa Ann Bucks. Ms Bucks confirms her position as a trade mark agent and a partner in the firm of Boulton Wade Tennant. The purpose of Ms Buck's declaration is to have admitted into these proceedings the statutory declaration and exhibits of David John Rickard dated 17 January 2000 who, she explains, is no longer employed by her firm. The main points emerging from Mr Rickard's declaration are, in my view, as follows:

- exhibit DJR-5 consists of copies of letters dated 28 November 1997 and 2 June 1999 received by his firm from the Office for Harmonisation in the Internal Market (OHIM) in response to an application to register the trade mark KINDERCARE. Mr Rickard notes that the Examiner in rejecting the application stated that "kinder is a German word known throughout the Community to mean "child" or "children", that the trade mark "conveys a simple and obvious descriptive meaning" and that the combination is desirable for other traders to use in the course of trade as a descriptive indication. The mark nonetheless would be readily understood in English, German and Dutch as being primarily descriptive. The mark merely indicates goods and services for children which involve care or caring";

- exhibit DJR-7 consists of copies of Decisions of the German Patent Office together with English translations. The first Decision dated 25 July 1997 relates to an opposition by Ferrero to registration of the trade mark KINDER EUKAL. Mr Rickard refers to the following passages from the Decision:

“In the present case, the first element “kinder” of the multiple word mark points out to the addressed consumers i.e. children, the particular suitability of the goods marked this way in a descriptive manner and is not suitable to shape the attacked mark by itself. The addressed consumers will not be enabled to make reference from the word “kinder” the place of origin on the goods labelled with the trade mark in dispute and, therefore, such consumers will base their distinction of this trade mark.....predominantly upon the element “eukal”. For this reason, the risk may be neglected that the addressees will compare the element “kinder” separated from the rest with the prior trade mark. Thus a direct risk of confusion can be denied. In addition, there is no risk that the attacked mark may be associated with the opposing mark.”

“In view of the insufficient distinctiveness of the word “kinder” it lacks the suitability to serve as a reference necessary to infer to the identical place of origin of the goods”.

- Mr Rickard also refers to Decisions of the German Patent Office in cases S112/97 and S175/96. He explains that in S112/97 the German Patent Office held that registration No 39610402 for a stylised representation of the words FUR-KINDER was invalid. Mr Rickard says that it was held that “the trade mark (FUR-KINDER) is devoid of the necessary minimum degree of distinctiveness stating that “the word elements have a mere factual character” and the registration was cancelled. The Patent Office held “on its own the words FUR-KINDER obviously represent a statement of determination, as children form the preferred target for the products in question ie. confectionery, and as such goods with respect to their composition, taste and presentation are frequently in particular designed to the needs and desires of children”. He adds that the Patent Office went on to hold that “it is also conventional to refer to such kind of determination within the product group “confectionery” by way of a determination like “FUR-KINDER”. Consequently, it can be held that competitors have a great interest in having these words reserved for free use of all.”
- in so far as the Decision in S175/96 is concerned, the German Patent Office held that trade mark No 39610406 CHILDREN’S CHOCOLATE should be cancelled. The Office held that “on its own the words CHILDREN’S CHOCOLATE originating from the English language represent a typical description of goods with the meaning “chocolate for children”. It held that “children form a preferred target group for the goods of the type claimed” “hence, for the concerned goods, which may all be made of chocolate or at least may contain chocolate, the attacked mark merely contains a reference to chocolate products, which are in particular intended for or suitable for children. This is easily comprehensible for the major part of the domestic consumers”;

- exhibit DJR-8 consists of copies of various web sites which include KINDER in connection with children.

14. That concludes my review of the evidence filed in these proceedings in so far as I consider it necessary.

15. Both Section 46 (revocation) and Section 47 (invalidity) objections were pursued at the hearing. I will deal with them in that order. Section 46 reads:

"46.-(1) The registration of a trade mark may be revoked on any of the following grounds-

- (a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;
- (b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;
- (c) that, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service for which it is registered;
- (d) that in consequence of the use made of it by the proprietor or with his consent in relation to the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.

(2) For the purposes of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made:

Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) An application for revocation may be made by any person, and may be made

either to the registrar or to the court, except that-

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any case the application is made to the registrar, he may at any stage of the proceedings refer to the application to the court.

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

(6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from-

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date."

16. Unlike the related revocation actions filed on the same day the applicants accept that there has been use of the mark KINDER MILK SLICE albeit that the latter two words are presented in hyphenated form. It is also common ground that that use took place during the relevant period, that is to say during the five year period from 30 April 1992 to 29 April 1997. By reference to the packaging at Exhibit VW1 Mr Arnold suggested that the use shown was in relation to 'sponge cakes containing honey and having a milky filling'. Having regard to Section 46(5) of the Act and Article 13 of the Directive he suggested that the specification should be restricted accordingly.

17. Mr Edenborough's position was that the use shown was within the generic heading of "confectionery, cakes, all containing milk or fillings made from milk." For ease of reference I will record again at this point that the specification of the registration currently reads "bread, pastry, confectionery, cakes, all containing milk or fillings made from milk and all included in Class 30."

18. The issue before me is in effect the extent to which the registered specification should be cut down to reflect the actual use that has been made of the mark.

19. I was referred to two key authorities to help me in this task - Decon Laboratories Ltd v Fred Baker Scientific Ltd [2001] RPC 17 page 293 and Daimler Chrysler AG v Javid Alavi (t/a MERC) [2001] RPC 42 page 813. Both were decisions of Mr Justice Pumfrey. In the Decon case he considered the construction to be placed on Section 46(5) and reviewed a number of existing authorities which, on the facts and circumstances of the cases concerned, had produced somewhat different approaches to the matter. His conclusions, which he adopts as his starting point in the later case (MERC), were as follows:

"24 I think that the correct starting point as a matter of principle consists of the list of articles for which the proprietor has in fact used the mark. In arriving at a fair specification having regard to the proprietor's use, it is also necessary to remember that the effect of section 10(2) (and of 10(3), in limited circumstances) is to give the proprietor protection outside his specification of goods but in areas where he can demonstrate a likelihood of deception in the wide sense, that is, deception as to trade origin leading to association among the relevant public. There is no pressing need, therefore, to confer on the proprietor [of] a wider protection than his use warrants by unduly broadening the specification of goods. There is a balance to be held between the proprietor, other traders and the public having regard to the use which has in fact taken place."

20. The proprietors' goods in the Decon case were cleaners for technical/industrial use. Headnote 10 conveniently summarises the conflicting positions that Pumfrey J was trying to resolve in reaching a specification that legitimately reflected the proprietors' use:

"(10) The defendants' first proposed specification of goods was open to the objection that the words "general purpose" were ambiguous in that they could cover products such as detergents for domestic use. However, limitation of the mark by the inclusion of the words "all for laboratory use" was too narrow and did not reflect the use actually made of the mark, which included industrial use. The specification would therefore be limited by the inclusion of the words "all for non-domestic use". (paras 25 and 26)."

21. It is clear from the paragraphs referred to in the headnote that Pumfrey J had regard to the channels of trade for the goods in question and the persons who will encounter the goods in the course of trade. He was in short considering the matter from a practical commercial standpoint.

22. The difficulty with Mr Edenborough's proposed limitation is that it would leave the proprietors with an extremely broad range of confectionery items, the majority of which would be some way removed from the actual use shown (a sponge bar with a milky filling). The term confectionery, for instance, is generally taken to include products as diverse as ice-cream, gateaux, cakes, chocolates, desserts, sweets, biscuits, pastries etc. Even accepting that the proprietors' specification is qualified by "all containing milk or fillings made from milk", I do not think the broad term confectionery can be justified any more than use on sweaters, anoraks, polo-shirts, scarves, T-shirts and baseball caps was held to justify retention of a broader clothing or outer clothing specification in the MERC case.

23. Consistent with the approach adopted in Decon the correct starting point must be the actual goods for which the proprietors have used their mark. In this particular case the evidence suggests that KINDER MILK SLICE is a one product mark. The proprietors describe it as a sponge bar with milky filling. I take it that they regard this as a normal and reasonable description of the product from a commercial point of view. I see no need to further limit the specification by reference to other ingredients such as honey as proposed by Mr Arnold notwithstanding that the proprietors themselves chose to limit the specification of

their Kinder milk-break mark (No 1245781) in this way (the specification of that registration presumably reflected the fact that the words "with milk and honey" appeared in the mark).

Accordingly the outcome of the action under Section 46 is that the registration will be revoked for all goods except "sponge bars with milky fillings, all included in Class 30".

24. I now turn to the objection under Section 47(1). This reads:

"47.-(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered."

25. The applicants say that registration is barred by Section 3(1)(b) and/or (c). This reads:

"3.-(1) The following shall not be registered -

- (a)
- (b) trade marks which are devoid of any distinctive character,
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
- (d)

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it."

26. The material date at which the position must initially be assessed is the original filing date of the registration now under attack. In this particular case that is 23 September 1988. By virtue of the proviso to Section 3(1) the registrability of the mark in question can be assessed by reference to distinctive character acquired as a result of use by that date should this be necessary. Furthermore even if a mark is not qualified by 'nature or nurture' as at the filing date of the application the proprietors are entitled to have use after registration taken into account in accordance with the second part of Section 47(1).

27. Mr Arnold's skeleton argument put the case against the registration as follows:

"13. The words MILK SLICE are wholly descriptive in relation to "sponge cakes containing honey and having a milky filling" ie. milk slices, which is why the registration is subject to a disclaimer of the exclusive use of those words. Accordingly the question is whether distinctive character is conferred upon the mark by the presence of the word KINDER. Soldan submits that, if the mark were CHILDREN'S MILK SLICE, it would not be registrable, given that the product is intended for consumption by children, even after BABY-DRY TM. Converting the whole or part of a non-distinctive mark into another Community language which is widely used and understood in the United Kingdom does not make it registrable: cf *EL CANAL DE LAS ESTRELLAS TM* [2001] RPC 291 (see in particular 298 line 37 - 299 line 2), the decision of the German Patent Office cancelling the trade mark CHILDREN'S CHOCOLATE and the rejection by OHIM of KINDERCARE. The position is *a fortiori* when, as here, the foreign word in question has become part of the English language. Accordingly it is submitted that the mark is devoid of distinctive character and registration is barred by section 3(1)(b) and/or (c).

14. The evidence of Mr Rickard in support of the application confirms that KINDER would be widely understood by people in the United Kingdom as meaning "children". The evidence filed by Ferrero does not begin to establish that the mark KINDER MILK SLICE had become distinctive by the relevant date (29 April 1997)." (Footnotes omitted).

28. Both Counsel also made submissions in relation to the survey evidence and the dictionary and other material brought forward to demonstrate what KINDER means, or may be taken as meaning, to a UK audience. There are a number of fundamental difficulties with the survey evidence on which I have commented in detail in the context of three related opposition actions between the parties. The surveys do not, in any case, deal directly with the mark KINDER MILK SURPRISE. It seems to me that the surveys are at best of uncertain value as an aid to determining this particular case.

29. Reaching a view on the registrability of the mark at issue inevitably involves some analysis of the component elements. But there are dangers in this approach if an analysis of the parts is substituted for an appreciation of the whole. It is for that reason I am uncomfortable with aspects of Mr Arnold's skeleton argument which starts from the fact that MILK SLICE is disclaimed and moves on to consider whether the presence of the word KINDER can be said to confer a distinctive character. If that means the merits of the mark are to be considered by reference solely to the elements from which it is made up then I do not accept that this is the correct approach. That problem is then compounded by the submission that, as the mark CHILDREN'S MILK SLICE would not be registrable, converting part of it into another Community language does not make it so.

30. Despite my own concerns about analysing elements of the mark I must nevertheless make brief reference to Counsels' submissions in relation to the word KINDER. Mr Arnold submitted that Kinder meant children; that references in English and other dictionaries supported that view; and that it had entered the English language. Mr Edenborough took issue with the dictionary references and the value thereof and said that the fact that words appear in dictionaries is not conclusive and does not mean they are commonly understood. In

his view the word Kinder had not entered the English language and would instead be seen as his client's mark.

31. Guidance on the approach to foreign language words appearing in (or as) marks can be found in EL CANAL DE LAS ESTRELLAS Trade Mark referred to by Mr Arnold. That is a case under the Trade Marks Act 1938 but the principles expounded there were accepted as being equally applicable under the current Act in TONALITE HENNE Trade Mark, a decision of Mr Simon Thorley QC, sitting as the Appointed Person (reference 0/485/00). The following is taken from the headnotes to the first of these cases:

"(1) There was no rule that foreign language words had to be examined for registrability by reference to their meaning in translation. The purpose of translation was to ensure that foreign words were not registered without knowing their meaning.

(2) For registration, foreign words needed only to be capable of functioning satisfactorily as trade marks in relation to the goods or services supplied in or from the United Kingdom, whether or not they would also qualify for protection elsewhere.

(3) The less obscure a foreign word was, the greater the weight which had to be given to its meaning in translation.

(4) Traders engaged in intra-Community trade were not, unjustifiably, to be prevented from using words in the language of other member states of the European Union.

(5) Spanish was a modern language widely understood and spoken in the United Kingdom. Spain was a trading partner of the United Kingdom and a fellow member of the European Union. The services specified in the application were supplied nationally and internationally.

(6) EL CANAL DE LAS ESTRELLAS was easily recognisable as Spanish which when used in respect of the services specified would be understood as laudatory and not a reference to stellar bodies.

(7) The disclaimers offered did not cure the defects of the mark."

32. The mark at issue in the above case was composed entirely of words in the Spanish language. I have no evidence before me to indicate how the public would approach the mark KINDER MILK SLICE. KINDER is, of course, an English word being the comparative form of the adjective kind. It is also the German word for children. There is likely to be some recognition of this latter meaning in this country though, for reasons which I do not need to go into here but have commented on in the related opposition cases, I would not go as far as Mr Arnold in suggesting that the word has become part of the English language.

33. That brings me back to the importance of considering the whole mark and not just its component elements. The interaction of the two words and consumer perception of the totality must be considered. I am not aware that it is common practice for trade marks to be presented in a mixture of languages. More importantly I have no reason to suppose that the average consumer has become conditioned to expect (or rather be unsurprised at) such a practice. It seems to me, therefore, that the combination of languages (if the mark is seen as such) can be said to contribute to the distinctive character of the mark. I realise that in this respect I have reached a somewhat different view of the matter to the OHIM examiner in KINDERCARE (CTM application No 195222). Exhibit DJR-5 contains copies of the OHIM

correspondence raising the objection based on the mark being a combination of meaningful German and English words. It seems that the point was not contested. But in any case I am not bound by the OHIM examiner's view.

34. The guidance in *Proctor & Gamble Company v OHIM*, [2002] ETMR 3 page 22 (the *BABY-DRY* case) is that the signs which are disqualified from registration by reference to Article 7(1)(c) of Regulation No 40/94 (equivalent to our Section 3(1)(c)) are "only those which may serve in normal usage from a consumer's point of view to designate, either directly or by reference to one of their essential characteristics, goods or services". Even on a *prima facie* view of the matter, the words *KINDER MILK SLICE* do not obviously strike me as being a normal way of describing the goods under attack. Again according to *BABY-DRY* "any perceptible difference between the combination of words submitted for registration and the terms used in the common parlance of the relevant class of consumers to designate the goods or services or their essential characteristics is apt to confer distinctive character." I am not persuaded that the applicants have discharged the onus that is on them to make out their case against the mark under Section 3(1)(c) or to explain why it is devoid of distinctive character within the meaning of Section 3(1)(b).

35. The alternative view of the mark is that it is composed of the English comparative adjective *KINDER* and the words *MILK SLICE*. In the context of the goods concerned, that too strikes me as a somewhat unusual combination which is not disqualified by the test set out in *BABY-DRY*.

36. There is in any case more than the *prima facie* case to consider. The proprietors have been using their mark for some considerable time as indicated in the evidence summary. It is fair to say that, at the time the application was filed, the use had been at a modest level only. However, in the years following the filing of the trade mark application, sales increased considerably so that by 1995/6 total sales (from 1985 onwards) amounted to £4.3 million and 17.3 million individual pieces of the product. Whilst these figures may not be large in the context of the confectionery market as a whole it must be borne in mind that it is effectively a one product trade mark. I note too that sales have been made to a number of leading supermarket chains, a factor which has no doubt increased public awareness of the mark.

37. The position in relation to Section 47(1)/3(1)(b) and (c) is that, even if there were doubts about the registrability of the mark *KINDER MILK SLICE* at the application filing date either as an unused or minimally used mark, the position has been cured through sustained use since (barring a short period in 1992/3). To the extent that it is necessary, it seems to me that the proprietors are entitled to benefit from the proviso to Section 47(1) in relation to the limited range of goods which have survived the Section 46 attack.

38. As the applicants have been partially successful in relation to the Section 46 ground the registration will be revoked in respect of all goods apart from "sponge bars with milky fillings, all included in Class 30". In accordance with Section 46(6) revocation will take effect from the date of application for revocation, that is to say 30 April 1997.

39. As both sides have achieved a measure of success I do not propose to favour either side with an award of costs.

Dated this 19TH day of July 2002

**M REYNOLDS
For the Registrar
the Comptroller-General**