

TRADE MARKS ACT 1994

**IN THE MATTER OF application no. 2206275
in the name of Beecham Group Plc to register the trade mark:**



in classes 29 & 32

and

**IN THE MATTER OF opposition thereto under no. 51123
by Hansen Beverage Company**

BACKGROUND

1. On 19th August 1999 Beecham Group plc applied to register the above trade mark. The application was published for opposition purposes on 29th March 2000 specifying the following goods:

Class 29 Beverages containing milk and milk products.

Class 32 Non-alcoholic drinks; preparations for making beverages.

2. On 29th June 2000 the Hansen Beverage Company filed a notice of opposition. The grounds upon which the opponent rely are detailed below under the following sections of the Act:

Section 3(1)(a) it is a sign which does not meet the requirements of section 1(1) as, whilst it is a sign capable of being graphically represented, it is arguably not capable of distinguishing the goods of one undertaking (the applicants) from the goods of another undertaking (i.e. the opponent) or other members of the trade in which both the opponent and applicant engage.


Section 3(1)(d) the mark consists exclusively of a sign or indication which has become customary in the language and in the bona fide practice of the trade to describe a particular beverage of which the consistency is smooth. As the offending mark does not carry any other word of visual insignia that can be used to distinguish the product of the applicant from those of other traders, it would be a mark that would create confusion in the minds of the purchasing public.

Section 3(6)

the application is made in bad faith in that the applicants are attempting to obtain a monopoly of a word which is common to the trade and therefore, free for other traders to use in the ordinary course of their business, as registration without the attachment of a voluntary disclaimer would apparently grant exclusive rights to the applicant to which they are not entitled.

Section 5(2)(b)

it is similar to earlier trade marks and is to be registered for goods identical with, or similar to those for which the earlier trade marks are protected. Accordingly, as the trade mark comprises solely of the word SMOOTHIE together with a non-distinctive device of fruit it cannot be distinguished phonetically from the prior registrations, thus it will lead to confusion. The earlier trade marks are:

Number	Mark	Specifications	Date filed	Proprietor
2203976	FEELIN' SMOOTHIE	Class 29 – Dairy products; milk beverages; yoghurt; milk. Class 32 – Non-alcoholic drinks; fruit drinks and fruit juices	24/07/1999	Geest Plc
1296348	CALIFORNIA SMOOTHIE	Class 32 – Non-alcoholic drinks; fruit drinks, fruit juices; syrups; preparations for making beverages; all included in Class 32.	23/12/1986	Healthworks Holdings Ltd
2157638	BLOODY SMOOTHIE	Class 32 – Fruit juices, fruit drinks, non alcoholic drinks, syrups, purees and preparations, all for making beverages, all included in Class 32.	9/02/1998	Pete & Johnny Plc
2013806		Fruit juices; fruit drinks; non-alcoholic drinks, syrups, purees and preparations, all for making beverages; all included in Class 32.	10/03/1995	Pete & Johnny Plc

3. The applicant filed a counterstatement in which the grounds of opposition are denied. Both sides seek an award of costs.

4. Only the opponent filed evidence in these proceedings. Following the completion of the evidence rounds the parties were advised that a decision could be made without recourse to an

oral hearing. The parties were nevertheless given an opportunity to request a hearing or to file written submissions; neither party made such a request nor were any written submissions received. Accordingly, I will make a decision following a careful study of the papers before me.

Opponent's evidence

5. This consists of a witness statement by Mr. Rodney Sacks, a principal officer of the Hansen Beverages Company. Mr. Sacks begins by commenting on the applicant's counterstatement in which the applicant is said to admit that the mark sought to be registered is in practice used with the addition of a house mark, namely RIBENA. Mr. Sacks states that the mark sought to be registered is not the mark as used or intended to be used. He further comments that the word SMOOTHIE is generic and that this word incorporated with a mere background panel does not provide a sufficient distinctive element to distinguish the products from those of other traders.

6. Mr. Sacks then refers to examples of labels affixed to his company's products 'in the United Kingdom and Europe' (Exhibits HB 2 and 3), showing use of the word SMOOTHIE in conjunction with the word HANSEN'S. He states that if the applicant used the mark with their house mark (RIBENA) then the marks would be distinguishable from each other. He comments that if registration were allowed as filed then the applicant is seeking to gain a monopoly in the word SMOOTHIE solus.

7. Mr. Sacks then refers to Exhibit HB1. This is what he terms an "open letter" from the Corporate Intellectual Property Division of the applicant's parent company. It is questionable whether this evidence constitutes "without prejudice" correspondence and is thus inadmissible. I note, however, that it is not marked as such (although this does not necessarily mean that it is not – see *Chocoladefabriken Lindt & Sprungli AG v The Nestlé Co Ltd* [1978] RPC 287), and the other side have not questioned its inclusion. Further, it does not seem to me that the letter is a 'negotiating' document, but rather sets out the applicant's position, and asserts their rights (see *Bucks CC v Moran* [1989] 2 All ER 225). On this basis I have included the document in my consideration of the evidence, for what it is worth. Mr. Sacks refers, in particular, to paragraph 2 in which he feels the applicant admits that the trade mark was not filed as it is intended to be used, specifically:

“You will see from our application that the word “Smoothie” is incorporated into a highly distinctive design **and is, in practice, always used with the umbrella brand RIBENA**” (my emphasis).

8. Mr. Sacks suggests that this admission is indicative of an attempt by the applicant to seek some subsidiary intellectual property right in the word SMOOTHIE solus. As for myself, I can see nothing in the content of this letter which would bring me to the same conclusion. Rather the opposite. It seems to me that the applicant indicates a desire not to monopolise the word SMOOTHIE, but are instead seeking rights in the overall get-up of the mark.

9. Mr. Sacks then states that he has attempted to reach a settlement in these proceedings whereby the applicant disclaims the word SMOOTHIE or agreed not to interfere with the opponent's sales of marks which would include the word SMOOTHIE. No such settlement was reached.

10. Finally, Mr. Sacks refers to the earlier marks detailed in the opponent's statement of grounds. He says that whilst these marks can be distinguished from each other, due to the additional word elements contained within them, they would not be distinguishable from the application in suit. He also feels that the application in suit, if registered as filed, would allow the applicant to instigate infringement proceedings against another trader using the word SMOOTHIE, whether or not the other trader's mark contained a further distinctive word element.

DECISION

Section 3(1)(a) – Capacity to Distinguish

11. The relevant legislation reads:

s. 1(1): "In this Act a "trade mark" means any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings."

"A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging."

s. 3(1): "The following shall not be registered-
(a) signs which do not satisfy the requirements of Section 1(1)."

12. For an application to fall foul of Section 3(1)(a) I must consider whether the sign qualifies as a trade mark as defined by Section 1(1). The opponent states that the mark is capable of being graphically represented (he could not do otherwise). I am therefore left to consider whether the sign is capable of distinguishing the goods of the applicant from those of other undertakings. This provision is normally left to deal with the type of signs that are so non-distinct that they are incapable of acquiring a distinctive character even through use. Given the power of modern day advertising, there are few signs that would fall foul of this provision, and I believe the test under this subsection establishes a low threshold. Mr. Geoffrey Hobbs QC (sitting as the Appointed Person) in AD2000 [1997]RPC 168 says:

"..the requirements of Section 1(1) are satisfied even in cases where a sign represented graphically is only "capable" to a limited extent of being "not incapable" of distinguishing goods or services of one undertaking from those of other undertakings. Such signs are not excluded from registration by Section 3(1)(a). Section 3(1)(a) has a more limited effect envisaged by article 3(1)(a) of the Directive of preventing the registration of "signs which cannot constitute a trade mark" at the time when they are put forward for registration."

13. The sign in question is not the word SMOOTHIE *solus*. It instead consists of the word SMOOTHIE in a stylised form together with a background get-up containing a six stemmed swirling pattern and pictorial representation of pieces of fruit. I have no doubt that this sign has a capacity to distinguish the goods of the applicant from those of other undertakings and that it would be capable of carrying out the essential function of a trade mark. **The ground of opposition raised under Section 3(1)(a) is thus dismissed.**

Section 3(1)(d) – customary in the trade

14. Section 3(1)(d) reads:

“The following shall not be registered-

... ,

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade:”

15. Section 3(1)(d) is concerned with marks that consist exclusively of signs or indications that have become customary in the language of the trade. There is no evidence before me to suggest that the mark as applied for (i.e. inclusive of its pictorial background) is used in the trade. Without such evidence this would normally be the end of the matter. However, it is clear to me that the opponent considers the make-up of the mark to be so indistinct that, despite the stylisation of the word SMOOTHIE and its pictorial background, the mark nevertheless consists exclusively of the word SMOOTHIE.

16. I believe that the word exclusively should be taken literally. Although they are points made in relation to Article 7(1)(c) of the Community Trade Mark Regulation (equivalent to Section 3(1)(c) of our Act), and also that the case in question relates to a word mark (as opposed to a composite mark), comments in the ECJ’s BABY-DRY Case (C-383/99) appear relevant:

“39. The signs and indications referred to in article 7(1)(c) of Regulation 40/94 are thus 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 such as those in respect of which registration is sought. Furthermore, a mark comprised of signs or indications satisfying that definition should not be refused registration unless it comprises no other signs or indications and, in addition, the purely descriptive signs or indications of which it is composed are not presented or configured in a manner that distinguishes the resultant whole from the usual way of designating the goods or services concerned or their characteristics.”

17. The sign or indication that is said to be customary in the current language of the trade (SMOOTHIE) is not the only sign or indication in the mark due to the trade mark’s pictorial background. It is also presented and configured in a manner that differs from the usual way of designating the goods concerned. Taking this into account I cannot refuse registration on this ground. **This ground of opposition is dismissed.**

Section 3(6) – Bad faith

18. The opponent pleads this ground on the basis that the applicant is seeking to obtain a monopoly for the word SMOOTHIE and obtain exclusive rights therein. Even if this claim were justifiable as an act of bad faith, there is no basis for it as the trade mark sought for registration is

not the word SMOOTHIE alone, but a composite mark containing additional pictorial matter. I do not feel that I need to say more than this. **The ground raised under Section 3(6) is dismissed.**

Section 5(2)(b) – Earlier marks

19. Section 5(2) of the Act reads as follows:

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

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

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

20. 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,”

21. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik 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.

22. 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*, paragraph 22;

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, paragraph 23, 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 Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* 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*, paragraph 23;

(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*, paragraph 23;

(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-Mayer Inc*, 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*, 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*, paragraph 26;

(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*, 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-Mayer Inc*, paragraph 29.

23. The opponent in these proceedings is not the proprietor of the earlier rights they rely on. This however does not prevent the opponent from relying on them, there being nothing contained within the Act or Rules to require that opposition under relative grounds be based solely upon rights owned by any would be opponent.

Distinctiveness of the earlier marks

24. When considering an opposition raised under Section 5(2)(b) an assessment of the distinctive character of the earlier mark is normally conducted in order to ascertain whether the marks are entitled to enhanced protection (see point (f) above).

25. In respect of the distinctive character of the earlier marks, I feel it is sufficient to say that the marks do not demonstrate a high degree of distinctiveness through use (no use having been filed) and they are not highly distinctive *per se* of the goods at issue. I do not consider that any of the earlier marks are entitled to an enhanced level of protection.

Similarity of marks

26. I pay particular regard to the following (point (d) above), i.e. that 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 (see *Sabel*, paragraph 23).

27. This tells me that when I assess the similarities between the applicant's mark and the earlier trade marks, I must take into account their overall impressions and also their distinctive and dominant components.

28. It is common ground (given comments from both sides) that the word SMOOTHIE is a non-distinctive/generic word indicating some form of fruit based beverage with a smooth consistency. This concurs with my understanding of the term. Taking this into account it seems to me that the distinctive and dominant components of the applicant's mark, and also of the earlier trade marks, does not reside in the word SMOOTHIE. I thus do not consider the application in suit to be a particularly distinctive mark. That being said the distinctive and dominant elements that it does contain rest in the background pictorial elements, together with the manner of stylisation of the word SMOOTHIE. As far as the earlier marks are concerned, the distinctive and dominant elements of the first three marks (FEELIN' SMOOTHIE, CALIFORNIA SMOOTHIE & BLOODY SMOOTHIE) reside in the combination of the non-distinctive word SMOOTHIE together with another word element to create a distinctive whole. In respect of the fourth mark, it is clear that the distinctive and dominant elements subsist in the stylised letter and word combination "P & J Pete & Johnny's"; again, the word SMOOTHIE is a mere descriptor of the goods.

29. Taking the above into account I consider that the respective marks are not confusingly similar, in that the only common element between them is descriptive, and this commonality will be off-set by the elements in the respective marks that retains their inherent capacity to distinguish. I believe the average consumer, when viewing the respective marks, will recognise the generic nature of the word SMOOTHIE and will be drawn to those elements of the marks that make them distinctive, rather than by reference to the non-distinctive word SMOOTHIE. This in my view removes the likelihood of confusion between the marks, even in respect of identical goods. **This ground of opposition is also dismissed.**

30. The opposition having failed, the applicant is entitled to a contribution towards their costs. I order the opponent to pay to them the sum of £500. 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 13th day of December 2002

**Dr W J Trott
For the Registrar
the Comptroller-General**