

O-246-04

**TRADE MARKS ACT 1994  
IN THE MATTER OF APPLICATION No. 2307338  
BY CULT CLOTHING TO REGISTER A TRADE MARK  
IN CLASS 25**

**AND**

**IN THE MATTER OF OPPOSITION NO. 91403  
BY ASAHI BREWERIES LTD**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF Application No. 2307338  
by Cult Clothing to register a trade mark in Class 25**

**and**

**IN THE MATTER OF Opposition No. 91403  
by Asahi Breweries Ltd**

**BACKGROUND**

1. On 6 August 2002 Cult Clothing applied to register the following trade mark:



**Superdry**



in Class 25.

2. It can be seen that the mark, as presented for registration, is a single word in a mixture of upper and lower case letters and in a rather heavy font. It is not suggested that these features of stylisation are of consequence in terms of the outcome of the case. I will, therefore simply refer to the mark as SUPERDRY in my decision. The proposed specification of goods is:

“Casual clothing including hooded sweatshirts, jeans, printed T shirts, lined and unlined jackets, shortsleeve and long sleeve shirts, baggy shorts, long sleeve embroidered T shirts, printed and embroidered sweatshirts, trousers, fleece pullovers, socks, skirts, scarves, gloves”  
(Class 25).

3. The application was given the number 2307338.

4. On 9 January 2003 Asahi Breweries Ltd filed notice of opposition to this application. They say they have used, or authorised others to use the trade mark SUPER DRY in relation to the sale and promotion of beer. They are also the proprietors of the following registrations:

No.	Mark	Class	Specification
2145616		Class 32	Beers.
CTM 1341643		32	Beer, ale, stout, porter and lager.

5. Two grounds of objection are raised:

- (i) under Section 5(3) the opponents say that the mark applied for is similar to a prominent element within their earlier trade mark and registration is sought in relation to dissimilar goods. The opponents claim that their mark enjoys a reputation both in the UK and in the European Community at least in relation to the sale and promotion of beer. I will deal with the specific adverse consequences envisaged by the opponents in the body of my decision;

- (ii) under section 5(4)(a) the opponents say that having regard to their own use of SUPER DRY since at least 1994, use of the mark applied for would be liable to be prevented by virtue of the law of passing off.

6. The applicants filed a lengthy counterstatement rebutting the above claims. In particular they point to the complex nature of the opponents' marks; the fact that the words SUPER DRY are used to describe a characteristic of the product; and that their single word SUPERDRY mark is derived from street slang for 'very good'. In short their view is that the marks could not be more different. The applicants put the opponents to proof in relation to their claimed reputation and in any case do not admit that a reputation in the SUPER DRY product equates to a reputation in those words which they do not regard as being a distinctive element of the mark. In all respects they deny the grounds of opposition.

7. Both sides ask for an award of costs in their favour.

8. Only the opponents filed evidence. Neither side requested a hearing. Written submissions have been received from Lloyd Wise on behalf of the applicants (their letter of 15 April 2004) and Frank B Dehn on behalf of the opponents (their letter of 15 April 2004). Acting on behalf of the Registrar I give this decision.

### **Opponents' evidence**

9. The opponents have filed three witness statements in support of their case. The first is by Tsugiya Iwasaki, Executive Officer, Senior General Manager of International Headquarters of Asahi Breweries Ltd. He gives evidence as to use of his company's SUPER DRY mark. He says that nearly 5 million litres of SUPER DRY beer were sold in the UK between 2000 and 2002. It is sold in supermarkets, including Sainsbury's, Safeway, Tesco and Morrison's and in off-licences, bars and restaurants throughout the country. During the period January 2002 to October 2002 (which spans the relevant date) some £540,000 was spent on advertising the SUPER DRY product in the UK. In support of the claims made Mr Iwasaki exhibits the following:

1. sample labels (these appear to correspond to the CTM registration);
2. extracts from the company's websites giving information on its history, operations, products, promotional activities etc;
3. an example of an event schedule and report showing how the product is promoted. The heading of the first item is "Asahi Hana Event Schedule 6/12/02". I can see no references to Super Dry as such;
4. a videotape of various promotions/campaigns;
5. a list of campaign sites and photographs of advertisements;
6. a selection of advertisements from the national and trade press, magazines and other publications;

7. copies of features/articles in various publications;
8. a videotape from the BBC2 television programme “The Naked Chef” where the product featured;
9. an example of a promotional T-shirt (or rather a photocopy thereof);
10. an advertising schedule covering the UK and European Union for the period January to October 2002 (again this spans the relevant date);
11. details of trade mark registrations around the world;
12. an extract from a document entitled “Impact Databank, Review and Forecast” which it is said shows that SUPER DRY is the 6<sup>th</sup> most popular beer in the world;
13. an extract from the 2002 Cool Brand Leaders Handbook illustrating the popularity of the product along with a related article from the Daily Express;
14. website reviews and ratings for the product.

10. The remaining two witness statements are from Mr Duncan Birch, Managing Director of Silonyx Ltd, a screen-printing company specialising in garment decoration and Andrew Gibb of Quantum Business Media Ltd and Deputy Advertising Manager of the Publican Newspaper. No information is given as to how or why these individuals came to be invited to give evidence. Both attest to the fact that it is common practice in the beer and alcoholic beverages industry for the major breweries to produce promotional clothing bearing their trade marks. They each exhibit examples of this practice. They conclude their witness statements with the following observations:

“Given the common practice within the brewing industry of using clothing for promotional purposes in the manner described above it is likely that, upon seeing an item of clothing bearing the name of a well-known brand of beer, a member of the public might reasonably assume that that item of clothing is in some way associated with or endorsed by the company that produces that brand of beer. I am aware that Asahi Breweries Limited has established a significant reputation in the UK in relation to its SUPER DRY beer and, having regard to my forgoing comments regarding the use of promotional clothing within the brewing industry, I believe there is a strong likelihood that a member of the public would assume that a T-shirt bearing the mark SUPER DRY was in some way connected with Asahi Breweries’ SUPER DRY beer.”

11. Both witness statements use precisely the same formulation of words in key areas which suggests that the statements were drafted for them. As Geoffrey Hobbs QC, sitting as the Appointed Person, in *10 Royal Berkshire Polo Club Trade Mark* [2001] RPC 32, observed:

“These and the precedings paragraphs of their statutory declarations contain synchronised statements expressed in what appear to be to be closely prescribed terms. Such statements invite scepticism of the kind expressed by Lord Esher M.R. in *Re Christiansen’s Trade Mark* (1886) 3 R.P.C. 54 CA, at 60;

“Now, to my mind, when you have evidence given upon affidavit, and you find a dozen people, or twenty people, all swearing to exactly the same stereotyped affidavit, if I am called upon to act upon their evidence, it immediately makes me suspect that the affidavits are then not their own views of things and that they have adopted the view of somebody who has drawn the whole lot of affidavits, and they adopt that view as a whole and say ‘I think that affidavit right’ and they put their names to the bottom.””

12. I will return to these witness statements later in my decision. I now turn to the individual grounds of objection.

### **Section 5(3)**

13. In its original form the Section reads:

“5-(3) A trade mark which –

- (a) is identical with or similar to an earlier trade mark, and
- (b) is to be registered for goods or services which are not similar to those for which the earlier mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

14. By virtue of regulation 7 of the Trade Mark (Proof of Use, etc) Regulations 2004, Section 5(3)(b) has now been repealed. The equivalent provision in Section 10 of the Act dealing with infringement has also been amended. As the explanatory note indicates:

“These amendments implement the decision of the European Court of Justice in *Davidoff & Cie SA and Zino Davidoff SA v Gofkid Ltd* of 9<sup>th</sup> January 2003 (C-292/00) which was confirmed by its decision in *Adidas-Saloman AG and Adidas Benelux v Fitnessworld Trading Limited* of 23<sup>rd</sup> October 2003 (C-408/01). Those decisions determined that Article 5(2) of the Directive, which on the face of it, grants a right to the proprietor of a trade mark to prevent third parties from using an identical or similar trade mark in relation to goods or services which are *not similar* where the earlier trademark has a reputation and use of that sign takes unfair advantage or is detrimental to the distinctive character of that earlier trade mark, also applies to goods or services which are similar or identical to those for which the earlier trade mark is registered.”

15. Notwithstanding the broader interpretation of Section 5(3) (Article 5(2)) that has now been confirmed by the ECJ, the opponents' claim here is based on the fact that the goods (essentially beer and clothing) are dissimilar.

16. The scope of the Section has been considered in a number of cases notably *General Motors Corp v Yplon SA (Chevy)* [1999] ETMR 122 and [2000] RPC 572, *Premier Brands UK Limited v Typhoon Europe Limited (Typhoon)* [2000] RPC 767, *Daimler Chrysler v Alavi (Merc)* 2001 [RPC] 42, *C.A. Sheimer (M) Sdn Bhd's TM Application (Visa)* 2000 RPC 484 *Valucci Designs Ltd v IPC Magazines (Loaded)* O/455/00 and, recently *Mastercard International Inc and Hitachi Credit (UK) Plc*.

17. In the *Merc* case Pumphrey J took as his starting point the following:

“In my view, the best approach is just to follow the section remembering Jacobs A.G.'s warning that it is concerned with actual effects, not risks or likelihoods. The enquiry is as follows. (1) Does the proprietor's mark have a reputation? If so, (2) is the defendant's sign sufficiently similar to it that the public are either deceived into the belief that the goods are associated with the proprietor so that the use of the sign takes unfair advantage of the mark, or alternatively causes detriment in their minds to either (a) the repute or (b) the distinctive character of the mark, or (3) even if they are not confused, does use of the sign nonetheless have this effect, and (4) is the use complained of nonetheless with due cause.”

18. The opponents' evidence shows use of a number of different marks. The element Asahi is common to all forms of the mark. That is not surprising as it is after all their housemark. I bear in mind, however, that for Section 5(3) purposes my consideration must be directed to the earlier trade marks on which the opponents rely, that is to say the label form marks shown at the start of this decision. I note that the applicants' written submissions concede that the opponents' evidence demonstrates that they have a reputation and goodwill attached to the mark ASAHI. They dispute that any reputation or goodwill attaches to the term SUPER DRY on its own. They do not specifically say whether they accept that a reputation (within the meaning and terms set down in the *Chevy* case) exists in the label form marks that are the subject of the opponents' registrations. I am prepared to accept for the present purpose that the collective force of the evidence is to establish an arguable case in this respect.

19. Assuming that a reputation can be said to exist in the label marks are the parties' respective marks sufficiently similar to result in one or more of the forms of unfair advantage or detriment envisaged by the section?

20. The applicants' mark speaks for itself in terms of its content. I am less convinced that the street slang meaning of 'very good' will be apparent to a cross section of average consumers coming into contact with the mark. Doubtless, some will understand the claimed underlying meaning. Carefully targetted marketing may well increase the likelihood that the mark will primarily be exposed to a class of consumers familiar with the term. But there is nothing in the

specification of goods that restricts the marketing options available to the applicants. The mark may, therefore, be placed before a wider audience who are less familiar with street slang.

21. The opponents' marks are composite ones. As with most labels they are intended to convey a mixture of messages in the sense that some of the information is likely to be indicative of trade origin whilst other information is purely informative, explanatory or intended to convey a promotional message. It is well established that marks must be assessed by reference to their distinctive and dominant components - *see Sabel v Puma AG* [1998] ETMR 1 – the point was made there in the context of Article 4.1(b) of the Directive (Section 5(2)(b) of the Act) but is equally applicable in considering similarity for Section 5(3) purposes (in this respect see also *Mastercard International Inc and Hitachi Credit (UK) Plc* [2004] EWHC 1623 (ch) at paragraph 64). I have no hesitation in saying that the average consumer will take the word ASAHI (in its stylised form) to be the dominant and distinctive component of the earlier trade marks. There is, of course, a great deal of other matter in both English and Japanese characters – there is the company name, the ears of corn/barley, the words “ASAHI BEER the beer for all seasons”, “Super” and beneath it in larger script “ “Dry” ” (this latter word appears in quotation marks). There is also a large amount of text beneath the word ASAHI which, in so far as it is legible, is descriptive of process, content and the characteristics of the beer. The average consumer is not generally credited with adopting an analytical or investigative approach to trade marks (*Sabel v Puma*, paragraph 23). In the case of label marks the consumer would expect to find a great deal of descriptive or informative material in addition to an indication of trade origin. I can see nothing in the content or form of presentation of the words SUPER and “DRY” in the context of these beer labels that would encourage consumers to consider that the words were being used to indicate trade origin rather than a characteristic of the goods. That is particularly the case where there is other more obviously trade mark matter present in the form of the word ASAHI.

22. I note too from Exhibit 14 that other major brewers use the term DRY in relation to their goods. The reference to Molson Dry suggests that this may be the case because it is “brewed at a lower sweetness level”.

23. Where two marks share the same element there may be said to be some similarity. In *Torreomar Trade Mark* [2003] RPC 4 it was said that:

“When (as contemplated by s.5(2)(b) of the Act) the marks in issue are not identical, they need to be *distinctively similar* in order to be capable of inducing such a belief [as to trade origin] in the mind of the average consumer of the goods concerned. At this point it is necessary to observe that marks which converge upon a particular mode or element of expression may or may not be found upon due consideration to be distinctively similar. The position varies according to the propensity of the particular mode or element of expression to be perceived, in the context of the marks as a whole, as origin specific (see, for example, *Wagamama Ltd v City Centre Restaurants Plc* [1995] F.S.R. 713) or origin neutral (see, for example, *The European Limited v The Economist Newspaper Ltd* [1998] F.S.R. 283).”

24. Although those observations were made in the context of Section 5(2) the principle seems to me to be equally applicable to Section 5(3). Taking the above factors into account I am drawn to



the inescapable conclusion that the respective marks are not distinctively similar. It follows that the opponents' case does not get off the ground.

25. In the circumstances I need only give brief consideration to the opponents' case on unfair advantage or detriment. The opponents' case is based in part on what is said to be the recognised practice in the brewing trade of using clothing as a promotional vehicle and the potential inhibition of the opponents' future trade if the applicants' mark is registered. Reference is made to *LOADED Trade Mark*, O/455/00, in support of this line of argument. The circumstances in terms of marks and goods is quite different to *LOADED*. A similar submission (based on inhibition of future trade) was unsuccessful in *LAMBRINI Trade Mark*, O/083/02, a case involving drinks and clothing even where identical marks were concerned. The current opponents rely on the evidence of Mr Birch and Mr Gibb in support of their claim. It is not clear on what basis these individuals were selected or what (if any) their relationship is with the opponents. The 'common form' nature of the conclusions they reach does not reassure me as to the independence of thought and degree of consideration that has been given to the issues. Furthermore, insufficient explanation is given as to why they hold the views they do or the basis for their belief as to the public's reaction. In any case, their statements do little more than suggest that an unspecified connection may be made, thus "a member of the public might reasonably assume that the item of clothing is in some way associated with or endorsed by the company that produces the beer".

26. It is clear from the authorities – see *Mastercard and Hitachi* for a recent discussion of the issues – that the Section is concerned with actualities and not possibilities. A mere association or connection without one or more of the forms of damage envisaged in the Section is not enough. There is no need in the circumstances to consider the other underlying issue as to whether use of a beer brand on clothing is trade mark use in relation to the clothing or merely a form of promotional activity on behalf of the core beer product (as to which see the observations of Pumfrey J in *Merc* in relation to 'T-shirt use'). For the record I would also reject the opponents' other arguments on unfair advantage and detriment (as advanced in paragraph 9 of the written submissions) were it necessary to do so. For the above reasons the Section 5(3) case fails.

#### **Section 5(4)(a)**

27. The Section reads as follows:

“5.(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

- (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or
- (b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.

A person is thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

28. The requirements for this ground of opposition are set out in the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *Wild Child Trade Mark* [1998] RPC 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:

- (1) that the opponents' goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the applicants (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicants are goods or services of the opponents; and
- (3) that the opponents have suffered or are likely to suffer damage as a result of the erroneous belief engendered by the applicants' misrepresentation.

29. The opponents' submission is that:

“Use of the mark “Superdry” by the applicant would constitute a misrepresentation which is likely to lead members of the public to believe that goods offered by the Applicant are in some way connected or associated with the Opponent or with the Opponent's goods. With reference to the guidance given by the Appointed Person in *Wild Child Trade Mark* [1998] RPC 455 with regard to establishing the likelihood of deception or confusion, it is clear that the name “SUPERDRY”, as used by the Opponent, has acquired a reputation among a relevant class of persons, and that members of that class will mistakenly infer from the Applicant's use of the very closely similar mark “Superdry” that the applicant's goods are from the same source or are connected. Where, as in the present case, a connection has been shown between the trades in question (in this case the brewing trade and the clothing trade), consumers are more likely to assume a connection or be confused.”

30. The argument proceeds on the footing that the opponents have “established a significant reputation and goodwill in the name “SUPERDRY” in the United Kingdom” from at least as early as 1994.

31. It is in the opponents' favour in relation to the Section 5(4)(a) claim that my consideration of the matter is not restricted to their earlier trade marks, that is to say the label marks. I have indicated above that a fair reading of the evidence suggests that a number of marks have been shown to be in use including ASAHI (solus), that word in stylised form, the label marks and ASAHI SUPER DRY (outwith the context of a label mark). I can see little evidence of use of SUPER DRY on its own. However, there is no requirement that the element on which the opponents base their claim must be used as an independent and free standing sign. Use of ASAHI SUPER DRY appears to me to marginally improve the opponents' position in comparison to the prominence given to SUPER DRY (in the form in which it is used) on the label marks. That is, of course, subject to the necessary caveat as to the nature of the contribution that SUPER DRY makes to the totality of the sign. I, therefore, go on to consider what the evidence shows in relation to the opponents' use. The main points are:

- the corporate website material at Exhibit 2 is in English but gives no indication of the extent to which it has been accessed by UK consumers. I note references such as “Super crisp, super clear – Asahi Super Dry” and “It’s the freshness that makes the dry taste so much better” and “Japan’s first dry beer”;
- the main advertising and feature material (Exhibits 5, 6 & 7) gives overwhelming prominence to the housemark ASAHI and bottles showing the label mark;
- there are occasional references to SUPER DRY as a brand. Examples can be found in the Drinks International feature of January 2002 on Japanese beers (Exhibit 7) and the article in Business of August 2003 but the latter is after the relevant date;
- the promotional use on clothing (exhibit 9) appears not to be UK use in the light of Mr Iwasaki’s evidence on the point but in any case features the words in the form in which they appear on the labels;
- the Cool BrandLeaders material (Exhibit 13) appears to be after the relevant date;
- other material in Exhibit 14 tends to emphasise the aptness of the words to indicate a characteristic of the goods e.g. “The aftertaste is one of slight dryness (not quite “Super Dry”) which leaves you wanting more” (the dooyoo review) and “...probably the driest beer I’ve had...” (the Oxford bottled beer database).

32. I find the totality of the evidence to be wholly inconclusive as to the level (if any) of public recognition of the words SUPER DRY as a distinguishing feature (or part of one of the distinguishing features) of the opponents’ goods. Such indicators as there are in the evidence suggest that the words would be seen as promoting a characteristic of the goods rather than something on which consumers would place reliance to guarantee a single point of origin for the goods.

33. It is well established that descriptiveness is not necessarily a bar to a word or a phrase acquiring a secondary meaning and becoming distinctive of a party’s goods – see the discussion in *The Law of Passing-off* by Christopher Wadlow (Third Edition) at 8-53 et seq. However, the opponents have not persuaded me that the words SUPER DRY have acquired a separate meaning or are recognised as carrying a significance of their own (beyond a descriptive one) within the sign ASAHI SUPER DRY. Even had this been the case the opponents would have faced a further difficulty in establishing that their penumbra of protection should extend to what are on the face of it quite different goods. Even though there is, potentially at least, no limitation in respect to the parties’ fields of activities in passing-off, the proximity of the applicants’ field of activity to that of the opponents is a factor to be taken into account in considering whether there would be a misrepresentation (see *Lego System A/S v Lego M Lemelstrich Ltd* [1983] FSR 155).

34. The opposition has failed. The applicants are entitled to a contribution towards their costs. The applicants’ written submissions contain the following:

“The applicant should be granted an award of costs. Despite the fact that no hearing has been held in relation to these proceedings, the Applicant has been put to expense by virtue of having to respond to the opposition by way of counterstatement, by having to review three witness statements together with exhibits of a bulky nature and by having to prepare these written submissions. The witness statement of Mr Tsugiya Iwasaki and its 12 exhibits (sic) showed evidence of reputation in the mark ASAHI but was otherwise

largely irrelevant to these proceedings. The fact that the Opponent's evidence was not directed towards the grounds of opposition and therefore unnecessarily filed should be reflected in the size of an award of costs granted to the applicant."

35. I note the applicants' view that the evidence was "unnecessarily filed". I do not read that as amounting to a claim that the opposition itself was frivolous or vexatious. If that were found to be the case it is certainly a matter that might result in an increased costs award. Whilst I regard the opposition as being somewhat ambitious I am not prepared to go further than that and say that the evidence itself was unnecessarily filed. Neither of the pleaded grounds was capable of being pursued without evidence. The opponents were entitled to have their position tested on the basis of the evidence filed. My award will, therefore, be based on the published scale but reflect the fact that the applicants had to review the opponents' grounds and evidence and file a counterstatement. I also take account of the reasonably extensive submissions filed on the applicants' behalf. I order the opponents to pay the applicants the sum of £1200. This sum is 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<sup>th</sup> day of August 2004**

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