

O-262-10

**TRADE MARKS ACT 1994**

**TRADE MARKS (INTERNATIONAL REGISTRATION) ORDER 2008**

**INTERNATIONAL REGISTRATION 990101 IN THE NAME OF  
SABABUNCULAR TARIM HAYVANCILIK GIDA, SANAYI VE TICARET LIMITED**

**AND**

**APPLICATION 16131 BY YADEx INTERNATIONAL GmbH  
FOR THE PROTECTION OF THE INTERNATIONAL REGISTRATION IN THE UK  
TO BE DECLARED INVALID**

## Background

1. On 7 November 2008, Sabuncular Tarim Hayvancilik Gida, Sanayi ve Ticaret Limited Sirketi of Turkey (“the holder”), requested protection of the international registration shown below (the ‘IR’) in the United Kingdom.



2. For the benefit of those reading this decision in black and white, the IR is in colour. The word kaltun appears in dark blue (“kal”) and white (“tun”) and the word Madran in red, all on a light blue background. The Registrar considered that the request satisfied the requirements for protection in accordance with article 3 of the Trade Marks (International Registration) Order 2008 (“the Order”) and the trade mark was therefore protected in the UK with effect from 7 November 2008 in respect of the following goods in Class 32:

Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.

3. On 22 June 2009, Yadex International GmbH (“the applicant”) filed an application to invalidate the protection afforded to the IR in the UK, relying upon section 47(2) of the Trade Marks Act 1994 (“the Act”), which applies to the protected international trade mark (UK) by virtue of article 3 of the Order.

4. The ground for invalidity is that the applicant is the proprietor of an earlier Community trade mark (“CTM”) consisting of the word ‘madran’ which is registered with effect from 25 November 2002 (there is also an international priority date but nothing turns on this). The registration procedure was completed on 17 November 2005 and the CTM is registered in Class 32 for:

Mineral waters, spring waters and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.

5. The applicant says that the earlier mark covers identical or similar goods to those protected by the IR and that the marks are similar so that there is a likelihood of

confusion on the part of the public. Consequently, the protection afforded to the IR in the UK was contrary to s.5(2)(b) of the Act and the registration should now be cancelled under s.47(2).

6. The holder filed a counterstatement denying the ground for invalidation. The holder says that there is no likelihood of confusion between the marks because the common element – the word ‘Madran’ – is not distinctive, being merely descriptive of the geographical origin of mineral water, or goods made from or containing mineral water. In that connection, the holder points out that Madran is the name of a mountain in Turkey and that the word Madran would be understood by English speaking consumers as a reference to the mountain and/or the Madran area of Turkey.

7. The holder also disputes that ‘beers’ covered by the IR are similar to any of the goods for which the earlier CTM is registered.

### **The Evidence**

8. The holder’s evidence consists of a witness statement dated 16 February 2010 by David Tate, who is a Trade Mark Attorney with the firm of Maguire Boss, which acts for the holder in these proceedings.

9. Mr Tate introduces (as exhibit DT1) an extract from an academic study from 2001 entitled “*A Contribution to the Bryophyte Flora of Western Turkey: the Bryophyte flora of Madran Mountain and the Cine Valley (Aydin, Turkey)*”. Figure 1 in this exhibit shows the location of Madran mountain within the Menderes basin with the Aydin plain to the North and the Bozdogan plain to the East.

10. Mr Tate also exhibits (as DT2) an extract from the website of yasar.com.tr which shows that the applicant and a company called Pinar Su SANayi ve Ticaret A.S. are both subsidiary companies of Yasar Holdings A.S.

11. Exhibit DT3 to Mr Tate’s statement is a copy of an extract from the 2008 annual report for Pinar Su SANayi ve Ticaret A.S. In a page headed “*Letter from the Chairperson*” it is stated that:

“...PINAR, the first brand to introduce Turkey’s first bottled spring water, currently presents the natural spring water obtained from Madran, Camlica and Toros springs to the liking of consumers in Turkey and its export destinations..”

12. Exhibit DT4 is an extract from the website of Pinar Su SANayi ve Ticaret A.S. which states that its “Madran Facilities” are located at “Bozdogan – Aydin” (i.e. near Madran mountain). Mr Tate points out that the address of the holder is “Cine, Aydin, Turkey” (also near Madran mountain).

13. The applicant’s evidence consists of a witness statement by Michele Lee Davis of Fladgate LLP, which is a firm of Solicitors that act for the applicant in these proceedings. Ms Davies states that the applicant’s spring and bottling facility is indeed in Bozdogan, which is on the slopes of Madran mountain in Turkey.

According to Ms Davies, the applicant has rented the exclusive rights from Bozdogan district municipality to extract its water from a source located on Madran mountain.

14. Ms Davies provides (as exhibit MLD1) the results of searches she conducted on the Internet. Ms Davies says there are few references to Madran mountain and that it is not listed as a destination for tourists.

15. A hearing was held on 21 June 2010 at which the applicant was represented by Mr John Groom of Groom, Wilkes & Wright and the holder was represented by Mr David Tate of Maguire Boss.

## **The Law**

16. Section 47 (insofar as relevant) states:

47. - (1) -

(2) The registration of a trade mark may be declared invalid on the ground- (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) --

(2A)-

(3) --

(4) -

(5) Where the grounds of invalidity exists in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(6) -

17. The relevant part of s.5 is as follows:

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

(a) -

(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.

18. Article 5 of the The Trade Marks (Relative Grounds) Order 2007 is also relevant. It states that:

5.—(1) Only the persons specified in paragraph (2) may make an application for a declaration of invalidity on the grounds in section 47(2) of the Trade Marks Act 1994 (relative grounds).

(2) Those persons are—

(a) in the case of an application on the ground in section 47(2)(a) of that Act, the proprietor or a licensee of the earlier trade mark or, in the case of an earlier collective mark or certification mark, the proprietor or an authorised user of such collective mark or certification mark; and

(b) in the case of an application on the ground in section 47(2)(b) of that Act, the proprietor of the earlier right.

19. Section 6 of the Act is also relevant. The relevant part is as follows:

6. - (1) In this Act an “earlier trade mark” means -  
(a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) 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.

20. It is clear from these provisions that the applicant has the required standing to bring the application and that the earlier CTM qualifies as an earlier trade mark for the purposes of s.5. The registration procedure for the earlier CTM was completed less than 5 years prior to the application for the invalidation of the IR in the UK, consequently there is no question of proof of use of the CTM. Further, as no application has been made to invalidate the earlier CTM, it is deemed to be validly registered in accordance with s.72 of the Act, as adapted by article 3 of the Order.

21. In my consideration of whether there is a likelihood of confusion between the earlier mark and the applicant’s mark, I take into account the guidance from the settled case law of the ECJ in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v OHIM* C-334/05 P (LIMONCELLO). 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*,

(b) the matter must be judged through the eyes of the average consumer of the services in question; *Sabel BV v Puma AG*, 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.*,

(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*,

(d) the visual, aural and conceptual similarities of the marks must normally 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*,

(e) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements; *Shaker di L. Laudato & C. Sas v OHIM*

(f) beyond the usual case, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a

dominant element of that mark; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*,

(g) 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.*,

(h) 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*,

(i) 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*,

(j) 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 and Adidas Benelux BV*,

(k) 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.*

22. The matter must be judged as of the date that the holder requested protection in the UK of its IR: 7 November 2008.

## **Decision**

23. The average consumer in this case is a member of the general public. Such a consumer is likely to pay just an average degree of attention when selecting water, beers, soft drinks and the other goods covered by the application.

24. I find that, with the exception of 'beers' in the IR, the respective goods are identical. This is self evident and not in dispute. So far as 'beers' are concerned, I find that these are similar to a limited degree to 'non-alcoholic drinks', for which the earlier CTM is registered. This is because, as Mr Tate for the holder was constrained to accept at the hearing, non-alcoholic drinks includes non-alcoholic beers. In my judgment, these goods are partly similar in nature, both being beers, but partly different: one being an alcoholic drink and the other not. They are also similar in purpose, both being recreational drinks. The degree of competition between the products is low because the choice of a non-alcoholic beer would usually be taken by someone who had already decided not to drink alcohol. However, there may be some occasions when consumers might choose between an alcoholic and non-alcoholic beer.

25. The marks are reasonably similar because the word Madran, which constitutes the earlier CTM, is also one of the two dominant elements in the IR. Further, because it is presented in red letters, it stands out against the blue background of the mark more so than the other dominant element – the word kaltun. Consequently,

there is a significant degree of visual and aural similarity between the marks, although I acknowledge that there is also a significant difference - the word kaltun is entirely absent from the earlier mark.

26. Mr Tate drew my attention to the fact that, as registered in the CTM, the word madran is also in lower case. However, in my view this has very little effect on the similarity between the marks because it makes little difference to the way the CTM looks and makes no difference to the way that it sounds. Further, as the case law indicates, the average consumer does not usually analyse trade marks at a level of detail but rather relies on the overall impression it creates. As I understood him, Mr Tate's submission was directed primarily at the impact the difference had on the conceptual similarity between the marks. In his view, without a capital first letter, madran would not be seen as a geographical name, whereas Madran would. I return to the significance of the word Madran in more detail below. It is sufficient at this stage to record that I do not accept that the presence or absence of a capital 'M' would affect the average consumer's recognition of the word madran as a geographical place name. In my view, there is no conceptual similarity or conceptual difference between the marks.

27. This brings me to the issue which I believe to be the heart of this case, which is whether the geographical status of the word Madran should be taken as limiting the degree of distinctive character afforded to the earlier mark and therefore reducing the likelihood of confusion between the marks.

28. Although the holder's counterstatement asserts that the word Madran is not distinctive for water and similar drinks, by the time of the hearing it was common ground that my factual assessment of the degree of distinctive character of the earlier CTM could not result in a finding that it had less than the minimum degree of distinctiveness required for a valid registration. This was effectively the finding of the Hearing Officer in Case BL 0-287-07 in which the distinctiveness of the CTM 'Grand Prix' was called into question in similar circumstances. I agree with the Hearing Officer's assessment of the law in that case. Mr Tate submitted that given the geographical significance of the word Madran, the distinctiveness afforded to the earlier CTM in these proceedings should be similarly limited, in this case by limiting it to the particular form of presentation of the word madran in lower case.

29. This line of argument highlighted a major difference between the parties as to whether the word Madran as such is validly registrable as a trade mark, even without any particular form of presentation. In this connection, my attention was drawn to the judgment of the European Court of Justice ("ECJ") in joined Cases C-108 & 109/97, *Windurfing Chiemsee*, the relevant part of which is as follows:

"25. However, Article 3(1)(c) of the Directive pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the categories of goods or services in respect of which registration is applied for may be freely used by all, including as collective marks or as part of complex or graphic marks. Article 3(1)(c) therefore prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks.

26. As regards, more particularly, signs or indications which may serve to designate the geographical origin of the categories of goods in relation to which registration of

the mark is applied for, especially geographical names, it is in the public interest that they remain available, not least because they may be an indication of the quality and other characteristics of the categories of goods concerned, and may also, in various ways, influence consumer tastes by, for instance, associating the goods with a place that may give rise to a favourable response.

27 -

28 -

29. Article 3(1)(c) of the Directive is not confined to prohibiting the registration of geographical names as trade marks solely where they designate specified geographical locations which are already famous, or are known for the category of goods concerned, and which are therefore associated with those goods in the mind of the relevant class of persons, that is to say in the trade and amongst average consumers of that category of goods in the territory in respect of which registration is applied for.

30. Indeed, it is clear from the actual wording of Article 3(1)(c), which refers to '... indications which may serve ... to designate ... geographical origin', that geographical names which are liable to be used by undertakings must remain available to such undertakings as indications of the geographical origin of the category of goods concerned.

31. Thus, under Article 3(1)(c) of the Directive, the competent authority must assess whether a geographical name in respect of which application for registration as a trade mark is made designates a place which is currently associated in the mind of the relevant class of persons with the category of goods concerned, or whether it is reasonable to assume that such an association may be established in the future.

32. In the latter case, when assessing whether the geographical name is capable, in the mind of the relevant class of persons, of designating the origin of the category of goods in question, regard must be had more particularly to the degree of familiarity amongst such persons with that name, with the characteristics of the place designated by the name, and with the category of goods concerned.

33. In that connection, Article 3(1)(c) of the Directive does not in principle preclude the registration of geographical names which are unknown to the relevant class of persons — or at least unknown as the designation of a geographical location — or of names in respect of which, because of the type of place they designate (say, a mountain or lake), such persons are unlikely to believe that the category of goods concerned originates there.”

30. Mr Tate relied, in particular, on paragraphs 25-31 of the judgment, emphasising the public interest in keeping geographical names free, whereas Mr Groom relied on paragraphs 32 & 33, emphasising the lack of evidence that consumers in the UK have any awareness of the existence of Madran mountain in Turkey.

31. On the basis of the evidence before me, I find that at the date of the holder's request for protection of the IR in the UK, consumers here (and certainly the average consumer) would have had no knowledge of the Mount Madran in Turkey. It therefore appears to me plausible on the basis of the first sentence of paragraph 33 of the judgment in *Windsurfing* that the word Madran as such is registrable for the goods at issue.



32. Whether that is right or not, I find that the scope of protection of the earlier CTM cannot be limited to simply the difference between Madran and madran. Leaving to one side the question of whether it is right to regard a word registered in lower case as not protecting the word *per se*, attaching the suggested weight to such a trivial distinction would be an artificial exercise. This is because it would not reflect the real likelihood of confusion between the marks at issue. In this respect the facts stand in stark contrast to the 'Grand Prix' CTM mentioned earlier, the meaning of which is, of course, well known in the UK and therefore capable of affecting the likelihood of confusion with other marks which include those words.

33. In my view, the facts here bear greater similarity to those in the case of *Matratzen Concord v OHMI - Hukla Germany*, T-6/01 and C-3/03 P. In that case the Court of First Instance, and later the ECJ, upheld a decision by OHIM to refuse to register a CTM prominently featuring the words Matratzen and Concord on the basis of an earlier Spanish trade mark consisting of the word Matratzen. The word Matratzen is a German word meaning 'mattress' and therefore described some of the goods in the application. The applicant argued that similarities resulting from such descriptive elements should not be sufficient to justify the refusal of the later mark. However, the European courts rejected the appeals pointing out that the test was whether there was a likelihood of confusion between the marks in Spain (in which the meaning of Matratzen was not generally understood). If there was a likelihood of confusion in Spain, this trumped general rules about obstacles to the free movements of goods within the Community. In my judgment, similar considerations apply here. If there is a likelihood of confusion then (particularly in the absence of any challenge to the validity of the earlier CTM) it is no answer to seek to invoke policy grounds in order to justify denying protection to the earlier mark, or for artificially reducing the scope of protection of the earlier mark to less than would be naturally due to it on the basis of the real likelihood of confusion.

34. Rather, in the context of an earlier validly registered trade mark, the policy requirement that geographical names should remain available for honest use finds expression in section 11(2)(b) of the Act (giving effect to article 6(1)(b) of the Trade Marks Directive), which provides a defence for users of signs which indicate the geographical origin of the goods marketed under the sign. The ECJ has found that such a defence is, in principle, available to a party using a geographical sign as a part of its own trade mark, provided that that party observes its duty to act fairly having regard to the interests of the owner of the earlier trade mark: see *Gerolsteiner Brunnen v Putsch*, case C-100/02, 2004 [ETMR] 40 and *Celine Sarl v Celine S.A.* Case 17/06 (for an elaboration of the duty to act fairly). However, the availability of a possible defence under section 11 of the Act has no bearing on the registrability of a trade mark: see *Libertel Groep BV v Benelux Merkenbureau*, Case C-104/01. Consequently, my duty in this case is to assess the actual likelihood of confusion between the respective trade marks taking account of all the relevant facts, including the level of distinctiveness of the earlier mark as perceived by UK consumers.

35. I find that as a word with no meaning to relevant consumers in the UK, the word Madran is of at least average distinctiveness to the average UK consumer of the

goods at issue. It is therefore as distinctive as the word kaltun, which also appears to have no meaning to UK consumers.

36. Taking all these points into account, I find that insofar as the respective marks are to be used in respect of identical goods, there was a likelihood of confusion at the date of the request to protect the IR in the UK. Although there is little likelihood of one mark being mistaken for the other when viewed side by side, there is a likelihood of confusion through imperfect recollection. This is because (particularly as the word Madran stands out in it) it is likely that the Madran element will be remembered ahead of the other features in the holder's mark. Further, there is also a likelihood of indirect confusion through association. That is to say that kaltun is liable to be taken as the maker of the drinks sold under the name Madran. Thus even those aware of the differences between the marks as wholes are likely to assume that the presence of the word Madran in the holder's mark indicates that the user of that mark is economically connected to the user of the madran mark.

37. The matter is more finally balanced when it comes to the protection of the IR for beers. However, on balance, I find that there is also a likelihood of confusion if the holder's mark is used on beers and the earlier CTM was used in relation to non-alcoholic beers. In this case the marks are liable to be regarded as variants used by the same undertaking, or economically connected undertakings, in respect of its variant products, beers and non-alcoholic beers, which one would not be surprised to find marketed under similar rather than identical marks.

38. I conclude that the protection afforded to the IR in the UK is invalid and should be cancelled.

### **Costs**

39. The applicant having succeeded is entitled to a contribution towards its costs. There is nothing about the case which justifies a departure from the Registrar's usual scale of costs. Consequently I order Sabuncular Tarim Hayvancilik Gida, Sanayi ve Ticaret Limited Sirketi to pay Yadex International GmbH the sum of £1450. This is made up of:

Official fee for filing TM26(l) and cost of preparation:	£300
Considering counterstatement:	£150
Considering holder's evidence and filing reply evidence	£500
Preparing for and attending hearing:	£500

40. Subject to an appeal, the above sum to be paid within 7 days of the end of the period allowed for appeal.

**Dated this 26 Day of July 2010**

**Allan James  
For the Registrar**