

O-068-10

**TRADE MARKS ACT 1994**

**IN THE MATTER OF Application No. 2442910  
by Sun Mark Ltd to register the trade mark  
BULLDOG in Class 32**

**and**

**IN THE MATTER OF Opposition thereto under No. 95303  
by Red Bull GmbH**

**APPEAL from the decision of Mr Mark Bryant dated 8 May 2009**

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**DECISION**

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1. This is an appeal against a decision of Mr Mark Bryant, the Hearing Officer for the Registrar, dated 8 May 2009, in which he rejected an opposition to an application to register the word mark BULLDOG for certain drinks in Class 32. The opponent appeals, seeking the reversal of that decision and refusal of the application to register the trade mark.

**Background**

2. Trade mark application No. 2442910 was made on 6 January 2007 by Sun Oil Ltd, now Sun Mark Ltd, ("Sun") for the word BULLDOG for "*Still or carbonated health fruit drinks and health fruit juice drinks*" in Class 32.
3. On 25 June 2007, Red Bull GmbH ("Red Bull"), filed notices of opposition to the application, based upon on sections 3(6), 5(2)(b), 5(3) and 5(4)(a) of the Act. Its section 5(2)(b) grounds were based on 9 earlier trade marks registered for a range of goods in Class 32; however, its 5(3) grounds were based upon only two of those marks (namely, UK registration 2306424 RED BULL and CTM 4381554 RED BULL ENERGY DRINK and device). The 5(4)(a) grounds were based on the contention that use of the mark was liable to be prevented by virtue of the law

of passing off, by reason of Red Bull's common law rights in the sign "RED BULL". Sun's counterstatement denied all of those allegations.

4. Both parties filed evidence and filed written submissions in lieu of a hearing.
5. Mr Bryant produced a 30 page decision dated 8 May 2009 to which he helpfully annexed a list of the earlier trade marks relied upon by Red Bull, with details of the goods in each specification. I have listed the marks in the Schedule to this decision; each of them is registered in relation to non-alcoholic beverages in Class 32 and I have not set out the specifications in full. In the light of the appeal, I will look at various aspects of the decision below in detail, but I can summarise its main points very briefly as follows:
  - a. at paragraph 32, Mr Bryant found that all of Red Bull's earlier marks included 'non-alcoholic beverages' which are identical goods to those claimed in Sun's application;
  - b. at paragraphs 33 and 34, Mr Bryant identified the average consumer of the identical goods;
  - c. in paragraphs 35 to 67, Mr Bryant compared Red Bull's earlier marks individually to Sun's mark;
  - d. paragraphs 69 to 71 dealt with the claim made by Red Bull to enhanced distinctiveness in its earlier marks; Mr Bryant found that "Red Bull" has enhanced distinctiveness in the UK;
  - e. in paragraphs 72 to 80, Mr Bryant found there was no likelihood of confusion in relation to any of the Red Bull marks and so rejected the opposition under s 5(2)(b);
  - f. in paragraph 81, in consequence, Mr Bryant rejected the claim under section 5(4)(a);
  - g. Mr Brian also rejected the opposition under section 5(3). He found that Red Bull had a significant reputation for energy drinks in the UK and that Sun's mark would bring to mind the Red Bull mark, creating a "link" between them. However, he considered that the link was insufficient to

cause dilution, tarnishment or detriment to Red Bull's reputation; he also found that Sun would obtain no unfair advantage from the link;

- h. lastly, Mr Bryant rejected the objection under section 3(6) for the reasons given at paragraphs 99 to 108 of his decision.

6. Red Bull's Grounds of Appeal can be summarised as follows:

- a. The Hearing Officer erred in law in considering the likelihood of confusion in several ways:
  - Ground 1, by assuming that 'indirect' origin confusion could only arise if Red Bull proved use of a 'family of marks,'
  - Ground 2, in wrongly assessing the conceptual similarity of the marks,
  - Grounds 3 and 4, in wrongly assessing the visual and aural similarity of the mark RED BULL to Sun's mark,
  - Ground 5, in wrongly assessing the evidence proving the enhanced reputation of Red Bull's mark M867085 BULL (which I shall call "the Bull mark"), and
  - Ground 6, in wrongly assessing the visual similarity of the Bull mark to Sun's mark,
- b. Ground 7: the Hearing Officer erred in law in assessing unfair advantage, in the light of the decision of the ECJ in Case C-487/07 *L'Oréal v Bellure*, now reported at [2010] R.P.C. 1, [2009] E.T.M.R. 55;
- c. Ground 8: the Hearing Officer erred in law in assessing bad faith, failing to appreciate that the goods on which Sun intended to use the mark were not goods within the specification; and
- d. The hearing of the appeal should be a rehearing rather than a review, by reason of three particular errors alleged to have been made by the Hearing Officer.

*Appeal by way of rehearing or review*

7. The first point argued before me was that an appeal to the Appointed Person is not limited to a review rather than a rehearing. Red Bull submitted that the decision of the Court of Appeal in *Reef* [2003] R.P.C. 5 did not deal with the

point, that the Civil Procedure Rules do not apply to proceedings before the Appointed Persons, and that comments with respect to the nature of such appeals in prior decisions of the Appointed Persons, such as that of Mr Simon Thorley QC in *Royal Enfield* [2002] R.P.C. 24, are not binding upon me. No intimation of such a submission had been made in the Grounds of Appeal. Ground 9 claimed that the appeal should be a rehearing rather than a review because of a number of errors allegedly made by the Hearing Officer, rather than as a matter of general principle.

8. In *Royal Enfield*, Mr Thorley QC considered the nature of an appeal to the Appointed Person, taking account in particular of the fact that an appellant may, subject to section 76(3), choose to make his appeal either to the Appointed Person or to the High Court. He said,

"The correct approach to an appeal to the Appointed Person

20 The jurisdiction of the Appointed Person is set out in section 76 of the Act and is co-terminous with that of the High Court in England and Wales and Northern Ireland and the Court of Session in Scotland (see section 75) subject to the obligation of the Appointed Person to refer an appeal to the Court in the circumstances set out in section 76(3). It is clear therefore that the approach of this Tribunal should be the same as in the High Court or the Court of Session.

21 Prior to the introduction of Part 52 of the CPR, the approach on appeal to the High Court, which was the approach also adopted in this Tribunal, is set out by Robert Walker L.J. in *Procter & Gamble Limited's Trade Mark Application* [1999] R.P.C. 673 at 677 where he stated:

"The judge recognised that he was not bound by the findings of the hearing officer, but said that he would be slow to differ from the hearing officer on a question which was largely one of impression and on which the hearing officer would be likely to have far wider experience. Mr Morcom [counsel for the appellants] has directed some mild criticism at that approach but I see no force in the criticism. The judge was right to pay respect to the

view of the hearing officer, nevertheless he had to form his own view and he did so, though he reached the same conclusion as the hearing officer”.

22 Before me it was contended both as a result of the introduction of CPR part 52 and having regard to the observations of the House of Lords in *Designers Guild Limited v. Russell Williams (Textiles) Limited* [2001] F.S.R. 11 that the correct approach by this Tribunal now would be to treat the appeal as a review rather than a re-hearing with a consequent greater reluctance to interfere with the decision of a hearing officer, particularly on issues of fact, such as the existence of a reputation or confusion.

23 I heard full argument on this but immediately after the hearing became aware that the same point had been canvassed in an appeal to the High Court in the case of *South Cone Inc. v. Jack Bessant* [2002] R.P.C. 19, heard by Pumfrey J. I therefore delayed issuing this decision until after the judgment of Pumfrey J. was available.

24 The *South Cone* appeal was an appeal from another hearing officer, Dr Trott, in an opposition also based on the provisions of section 3(6) and section 5(4). In paragraphs 3–6 of his judgment dated July 25, 2001, Pumfrey J. sets out the reasoning which led him to the conclusion expressed as follows at the end of paragraph 6:

“My approach will be as follows. Findings of primary fact will not be disturbed unless the hearing officer made an error of principle or was plainly wrong on the evidence. His inferences from the primary facts may be reconsidered, but weight will be given to his experience. No question of the exercise of a discretion arises. In this way, error will be corrected, but a different appreciation will not be substituted for that of the hearing officer if he has arrived at his conclusion without error.”

25 In reaching this conclusion, Pumfrey J. expressly took into account the fact that there was concurrent jurisdiction in the High Court, the Court of

Session and in this Tribunal and expressed the view that it was important that similar principles are applied by each jurisdiction. I agree.

26 Accordingly, if on the basis of the arguments before me, I had been minded to reach a conclusion different to that of Pumfrey J., it would, I apprehend, have been appropriate to refer the matter to the court pursuant to section 76(3) so that the matter could be settled in a higher court. Happily that is not necessary. The submissions before me had led me to conclude that the approach set out by Pumfrey J. was the correct one. There is therefore no need to refer the question to the court. Subject to any observations made by a higher court at a later date, this Tribunal should approach appeals in opposition proceedings in the manner set out by Pumfrey J.

27 I would add only this. Pumfrey J. drew attention to the fact that it could be suggested that an appeal from the Registry could be said to be the first judicial consideration of the opposition, as the hearing officer, who is a member of the Registry, cannot be considered to be an independent tribunal. The point was not argued before him but was briefly touched upon before me.

28 Appeals arise from decisions of the Trade Mark Registry in two types of appeal, *ex parte* appeals from decisions of the Registry made in the course of prosecution of an application and *inter partes* appeals in opposition, invalidity or revocation proceedings where the Registry acts purely in a quasi-judicial capacity. In the later case, the hearing officer is, in my view, a truly independent tribunal. The proceedings are conducted in a manner akin to litigation (pleadings, evidence in writing with provision for cross-examination, disclosure if necessary, an oral hearing and so forth) and the Registry is given jurisdiction to adjudicate upon such disputes precisely because of the accumulated experience of the Registry in trade mark matters. In *inter partes* proceedings therefore this consideration does not cause me to question the approach outlined by Pumfrey J.”

9. I respectfully agree with all that Mr Thorley QC said in that passage. As a matter of principle, it seems to me that the same approach must apply to an appeal to the Appointed Person and an appeal to the Court, given the choice conferred by the Act upon the appellant. The decision in *Royal Enfield* was delivered before the decision of the Court of Appeal in *Reef* (which was the appeal of the *South Cone* decision to which Mr Thorley QC referred). In *Reef*, Robert Walker LJ said:

“3 An appeal from a decision of the registrar lies (in England) to the Chancery Division of the High Court or to an “Appointed Person” (ss.76 and 77 of the Act). The Appointed Person is in practice usually drawn from a small panel of Queen's Counsel practising in the Chancery Division and having special experience of trade mark law—in effect a specialised deputy judge. In the case of an appeal to the Chancery Division a further appeal lies (but only with the permission of this court under s.55 of the Access to Justice Act 1999) to this court. In this case the first appeal was heard by Pumfrey J. and it is his order dated July 25, 2001 from which an appeal has been made to this Court.

4 This background material will help any non-specialised reader to understand the way in which this appeal has reached this Court. It also has some relevance to the first issue in the appeal, which is a general issue as to the nature of an appeal under s.76 of the 1994 Act, and the function of the appellate judge (whether High Court judge or Appointed Person) in hearing it. The second and third issues are whether the appellate judge, even if he approached his task correctly, erred in his decision to reverse the registrar's decision to dismiss the opposition to the application on one ground, but not to differ from it on another ground.”

10. It seems to me, therefore, that, contrary to Mr Edenborough's submissions on behalf of Red Bull, the Court of Appeal in *Reef* did decide that the function of the appellate tribunal in hearing an appeal from the Registry is the same, and should be approached in the same way, whether the appeal has been lodged in the High Court or brought before the Appointed Person. In a lengthy passage starting at paragraph 17 of his judgment, Robert Walker LJ set out the

appropriate approach to an appeal in the light of CPR 52 and a number of earlier cases. It is plain from paragraph 28 of his judgment that the usual approach is of review rather than rehearing.

11. For those reasons, quite apart from the fact that the point was not raised, as I think it should have been, in Red Bull's Grounds of Appeal, I reject the submission that I should, without specific reasons to do so, treat the appeal as a rehearing rather than as a review.
12. In *Digipos Store Solutions Group Limited v. Digi International Inc* [2008] RPC 24, the position was summarised by Daniel Alexander QC (sitting as a Deputy Judge of the High Court) as follows:

"5... It is clear from *Reef Trade Mark* [2003] RPC 5 ("*Reef*") and *BUD Trade Mark* [2003] RPC 25 ("*BUD*") that neither surprise at a Hearing Officer's conclusion nor a belief that he has reached the wrong decision suffice to justify interference by this court. Before that is warranted, it is necessary for this court to be satisfied that there is a distinct and material error of principle in the decision in question or that the Hearing Officer was clearly wrong (*Reef*). As Robert Walker LJ (as he then was) said:

"...an appellate court should in my view show a real reluctance, but not the very highest degree of reluctance to interfere in the absence of a distinct and material error of principle" (*Reef*, para. 28)

6. This was reinforced in *BUD*, where the Court of Appeal made it clear that it preferred the approach of the appellate judge but nonetheless held that there was no error of principle justifying departure from the Hearing Officer's decision. As Lord Hoffmann said in *Biogen v. Medeva* [1997] RPC 1 at 45, appellate review of nuanced assessments requires an appellate court to be very cautious in differing from a judge's evaluation. In the context of appeals from the Registrar relating to section 5(2)(b) of the Act, alleged errors that consist of wrongly assessing similarities between marks, attributing too much or too little discernment to the average consumer or giving too much or too little weight to certain factors in the



multi-factorial global assessment are not errors of principle warranting interference.”

I note that the decision with regard to each of the issues in this case involved a multi-factorial assessment of the kind mentioned above.

13. Ground 9 of the Ground of Appeal contended that the Hearing Officer’s decision was “vitiating by errors” such that the appeal should proceed as a rehearing. Undoubtedly, in an appropriate case, the Court or the Appointed Person may find that there are errors in a decision under appeal that are of such a nature as to require the tribunal to reconsider part or all of the decision ‘from scratch.’ Three alleged errors were identified in the Grounds of Appeal. Each of these seems to me more likely to reflect inadequate proof-reading of the Hearing Officer’s lengthy decision rather than any significant confusion on his part vitiating the decision. I am reinforced in that view by the fact that there are a number of places in the decision where there are undoubtedly missing words, or similar typographical errors. The first example of an error which is pleaded in the Grounds of Appeal is that in paragraph 37 of the decision, Mr Bryant referred to Sun’s mark as having the word “dog” at the beginning, whereas of course “dog” is the second syllable of the mark. I deal with the second pleaded error (about visual similarity) below. The third error is that the Hearing Officer compared elements of one of Red Bull’s trade marks to Sun’s mark without bearing in mind the disclaimers affecting the scope of the former mark. Whilst that shows a certain lack of attention to detail, it does not seem to me that the mistake either caused any prejudice to Red Bull, or could be said to vitiate the whole of the decision. In my view, none of the three pleaded errors is of real significance, and even in combination I do not consider that they would justify treating this appeal as a re-hearing rather than a review.
14. Red Bull’s skeleton argument went further, however, and identified seven such errors, and I was invited to treat the appeal as a rehearing on the basis that the

“numerous factual errors” showed an unacceptable degree of imprecision in relation to the primary facts of the case.

15. The purpose of Grounds of Appeal for an appeal under section 76 is, as Mr Geoffrey Hobbs QC has said, “to focus on the decision under appeal, identify the particular respects in which it is said to have been erroneous and provide a succinct statement of the grounds upon which it is contended that the decision was erroneous in the respects identified.” Mr Hobbs QC made those remarks in *Cycling Is ...* [2002] R.P.C. 37, when sitting as the Appointed Person, reflecting the decision of Mr Thorley QC also sitting as the Appointed Person in *Coffeemix trade mark* [1998] R.P.C. 717. Red Bull’s reliance upon errors other than those identified in the Grounds of Appeal does not seem to me to comply with those requirements. Furthermore, on careful examination of each of the additional errors identified by Mr Edenborough in his skeleton argument, in my judgment they are all insignificant in terms of the impact which they may have had upon Mr Bryant’s decision. Even cumulatively, I do not consider that they would justify treating the appeal as a re-hearing rather than a review, had I thought it right to permit Red Bull to rely upon them in these circumstances. For all these reasons, I propose to treat this appeal as a review and not as a rehearing.
16. I shall deal with the substantive points rising in the appeal in this order: first, points going to likelihood of confusion, secondly, bad faith, and lastly, unfair advantage.

*Likelihood of confusion*

17. The first point raised as to the likelihood of confusion was that the Hearing Officer had failed to give sufficient weight to the fact that the goods were identical. This is a point which was not explicitly raised in the Grounds of Appeal, although Mr Edenborough argued that it was implicit in the challenge to the Hearing Officer’s findings on the likelihood of confusion. I do not accept that it was implicit and I consider that such a challenge to the decision should have been explicitly pleaded, for the reasons set out above. Moreover, it seems to me

that it is hard to say that Mr Bryant did not give adequate weight to the fact that the goods were identical; having made the finding that they were identical in paragraph 32 of his decision, and adverted to the relevant part of the decision in *Canon*, the Hearing Officer referred back to the identity of the goods in paragraph 78, when drawing his conclusions on likelihood of confusion. In the circumstances, it seems to me that the Hearing Officer based all of his findings about the likelihood of confusion upon the goods being identical. It was suggested that Mr Bryant was in some way confused about this, but it seems to me that the most that can be said on this point is that in paragraph 32 he correctly identified the fruit drinks in Sun's specification as a sub-set of the non-alcoholic beverages in Red Bull's specifications, whilst in paragraph 89 he said, with less accuracy, that the parties' goods were identical energy drinks. If anything, the latter comment would have weighed in Red Bull's favour in terms of his analysis of the applicability of section 5(3). In all the circumstances, I do not consider that I should take this criticism of the decision into account on the appeal.

18. Red Bull's next line of attack was say that the Hearing Officer had failed to give adequate weight to the enhanced distinctiveness of the Red Bull and Bull word marks. This point was explicitly pleaded in the Grounds of Appeal in relation to the Bull mark. It was not explicitly pleaded in relation to the mark Red Bull, but in this instance perhaps it can be said to be implicit in paragraph 1 of the Grounds of Appeal, which complains that the Hearing Officer wrongly considered the question of confusion with a family of marks when confusion with one mark "used in the marketplace" would have sufficed. I shall deal with the points about the enhanced distinctiveness of both of the word marks below.

*Grounds 3 and 4: visual and aural similarity of RED BULL to Sun's mark*

19. Red Bull complained about the manner in which the Hearing Officer compared its Red Bull mark with Sun Mark's trade mark, Bulldog, at paragraph 40 of the decision. In particular, it complained that he had failed to consider what was described as the identity in length between the words Red Bull and Bulldog,

although when comparing Bulldog to Bull he had considered the difference in the length of those words.

20. In paragraph 37 of the decision, Mr Bryant had said:

“From the visual perspective, both trade marks are similar in so far as one consists of, and the other contains the word “bull”, however, they differ by virtue of Sun Mark’s trade mark containing the additional word “dog” at the beginning to produce a word that consists of seven letters. The dominant element of Red Bull’s trade mark is, self-evidently, the word “bull”. In respect to Sun Mark’s trade mark, the two words combine in such a way that neither would be more dominant than the other. Taking all these factors into account and viewing of the respective trade marks as a whole, I find that they share a reasonably low level of visual similarity.”

In paragraph 41, he carried out the equivalent exercise in regard to the mark Red Bull, saying:

“Similarly to the previous comparison, both trade marks are visually similar in that they both contain the word “bull”, but they differ in that in Red Bull’s trade mark the word “Bull” is preceded by the separate word “red” whereas in Sun Mark’s trade mark the word “Bull” is conjoined with the word “dog”. The separation of the words in the earlier trade mark and the fact that they are conjoined in the later trade mark is another point of difference. Taking all these factors into account and viewing the respective trade marks as a whole, I find that they share a low level of visual similarity.”

21. Red Bull submitted that these paragraphs show that in his comparison of ‘Bulldog’ with ‘Red Bull’, Mr Bryant failed to deal with a relevant issue in relation to visual similarity. Just as he dealt with the length of the respective marks in paragraph 37, he should have dealt with it at paragraph 41. I was referred to a decision of the CFI in Case T-22/04, *Reemark v OHIM (“Westlife”)*, 4 May 2005 (so decided before the ECJ’s decision in Case C-120/04, *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH*) as authority for the proposition that when comparing signs, similarities are more striking than differences. In my

judgment, that was not the approach of the CFI in *Reemark*, in which it had to consider whether the German word mark WEST was confusingly similar to the proposed Community trade mark WESTLIFE. The CFI found that there was a degree of aural and conceptual similarity between the conflicting signs and that the only visual difference was that one sign contained a further element added to the first. The Court held at paragraph 34 that:

“34. Visually, there is no question that there is a degree of similarity between the marks at issue because the earlier trade mark, West, is the first component of the mark applied for, Westlife. Furthermore, since the two marks are word marks, they are both written in a non-stylised way for the purposes of any assessment of their visual similarity. Thus, the average consumer, ... could confuse the marks in question from a visual perspective.”

However, the CFI went on at paragraph 35 to say:

“It must be concluded that the conflicting signs are therefore visually similar, without, however, it being possible to say that there is a very high degree of visual similarity between them.”

That finding seems to me to accept that differences between marks may not preclude them from being similar, but even if they are similar the impact of the differences may mean that the degree of similarity is not very great.

22. It does not seem to me that *Reemark* shows that either Mr Bryant’s approach or his conclusion was flawed. He did, after all, conclude in paragraph 41 that there was *some* visual similarity between the marks, very much as the CFI did in paragraph 35 of its judgment. Furthermore, I do not accept that his failure to mention the length of the works or the number of letters in each of the marks shows that Mr Bryant’s analysis of the level of visual similarity of the marks Red Bull and Bulldog was so flawed that I should reconsider the point. It seems to me that Mr Bryant was entitled to find that the separation of the earlier mark into two words, and the fact that Red Bull’s mark commences with the word “red” whilst Sun’s commences with the word “bull,” gave a different visual impression. I do not think that any material error can be identified in his

reasoning, nor can it be said that he was not entitled to conclude that the marks had a low level of visual similarity.

23. Red Bull also complained about Mr Bryant's analysis of the aural similarities of the marks. At paragraph 42 he said:

"From an aural perspective, as before the respective trade marks share the single syllable word "bull" but in the case of Sun Mark's trade mark, it also contains the second, single syllable word "dog" whereas Red Bull's trade mark contains the word "read". In addition, the different position of the common word "bull" within the respective trade mark provides another point of difference. With these points in mind, I find that these trade marks share only a low level of aural similarity."

24. The appellant complained that the Hearing Officer had failed to consider all aspects of the aural similarity between the marks, in particular the fact that each comprised two syllables of which one was identical and that the other syllable in each case contained a hard and prominent "d". Red Bull submitted that English customers would emphasise the word "bull" as the first syllable of "bulldog," that the word "bull" by itself would be associated with Red Bull, and that if the goods were purchased in a noisy bar environment, the similarity would be greater. It seems to me that the latter two points relate to the question of likelihood of confusion rather than to similarity as such. As for the first point, it does not seem to me that Mr Bryant can be criticised for not putting this particular point in paragraph 42, given that the first syllables of the two marks are different, that being the point upon which he did rely. This does not seem to me to reflect any material error or error of principle which would lead me to reject his analysis of the aural similarity of the marks. Nor do I consider that the particular points pleaded in paragraph 4 of the Grounds of Appeal take the matter further, given the Hearing Officer's finding that there was a degree of aural similarity between the marks.

*Grounds 5 and 6: Failure to consider the Bull mark*

25. Red Bull's attorneys, in their submissions to the Hearing Officer, stated that its best case under section 5(2)(b) lay in the alleged likelihood of confusion between the Bull mark and Sun's mark.
26. Red Bull complained that the Hearing Officer was wrong to find in paragraph 37 of his decision that there was only "a reasonably *low* level of visual similarity" between the Bull mark and Sun Mark's Bulldog mark. It also complained that there was an error in this part of the decision, because, having reached that conclusion in paragraph 37 and dealt with aural and conceptual similarity in paragraph 38, he went on to say in paragraph 39
- "In conclusion, there is a reasonably *high* level of visual similarity, a reasonable level of similarity, and a very low level of conceptual similarity. On balance, these factors combined a result only a modest level of similarity between the respective trade marks."
- (Emphasis added in both quotes).
27. Plainly, there is an inconsistency between paragraphs 37 and 39 of decision. However, I do not think that this indicates an error of principle, so much as an error in proof-reading. There are two possibilities: either Mr Bryant really intended to say in paragraph 37 that he found that there was a reasonably high level of visual similarity, or, in paragraph 39, he used the word 'high' when he meant to say 'low'. The latter seems more likely, given his analysis in paragraph 37, and his conclusions in paragraph 39. In either event, however, it does not seem to me that this error suggests that the last sentence of paragraph 39 does not reflect the Hearing Officer's overall view, or that his thought process was so confused that the whole of his analysis should be rejected. Whether he thought that there was a reasonably high or a reasonably low level of visual similarity, once he factored in his conclusions from paragraph 38, he plainly concluded that there was only a modest level of similarity between the trade marks.
28. Red Bull further challenges that conclusion because of its contention that Mr Bryant was wrong to find that the trade marks were conceptually different or had

only a very low level of conceptual similarity. In paragraph 38, Mr Bryant had accepted that the marks both related to animals of some kind. He noted that the Red Bull trade mark could describe the male of a number of animals, whilst the Sun mark describes a particular breed of dog. He referred to the dictionary definition of a bulldog as being "an English bull-baiting breed," but he found the contrast sufficient to make the marks conceptually different.

29. In its Statement of Grounds, Red Bull had relied upon the fact that "bulldogs were bred to bait bulls" as well as upon the allegation that both bulls and bulldogs are "strong, solid, sometimes dangerous, four legged mammals with a fairly similar shape e.g. very powerful front quarters [which] lends itself to fighting..." On the appeal, Red Bull submitted that this meant that the marks were conceptually similar, because of the "physical, cultural and temperamental characteristics" of both animals.
30. I was told that the reference to "cultural" characteristics was to the historical association between bulls and bulldogs, i.e. that the dogs were bred for bull-baiting. It seems to me that the difficulty with Red Bull's argument on this point is that its evidence does not establish that the relevant association would be made by the public in the UK. In this regard, I bear in mind the comments of Ms Anna Carboni (sitting as the Appointed Person) in *Chorkee*, BL O-048-08, in which she said this:

"36. ... While the Applicant contended in its Counterstatement that the earlier marks would be recognised to refer to the Cherokee tribe and that the tribe was well known to the general public, no evidence was submitted to support this. By accepting this as fact, without evidence, the Hearing Officer was effectively taking judicial notice of the position. Judicial notice may be taken of facts that are too notorious to be the subject of serious dispute. But care has to be taken not to assume that one's own personal experience, knowledge and assumptions are more widespread than they are.



37. I have no problem with the idea that judicial notice should be taken of the fact that the Cherokee Nation is a native American tribe. This is a matter that can easily be established from an encyclopaedia or internet reference sites to which it is proper to refer. But I do not think that it is right to take judicial notice of the fact that the average consumer of clothing in the United Kingdom would be aware of this. I am far from satisfied that this is the case. No doubt, some people are aware that CHEROKEE is the name of a native American tribe (the Hearing Officer and myself included), but that is not sufficient to impute such knowledge to the average consumer of clothing (or casual clothing in the case of UK TM no. 1270418). The Cherokee Nation is not a common subject of news items; it is not, as far as I am aware, a common topic of study in schools in the United Kingdom; and I would need evidence to convince me, contrary to my own experience, that films and television shows about native Americans (which would have to mention the Cherokee by name to be relevant) have been the staple diet of either children or adults during the last couple of decades.”

31. Where reliance is placed upon conceptual similarities, the meaning relied upon must be “clear and specific so that it can be grasped immediately by the relevant public” (see paragraph 20 of the ECJ’s decision in Case C-361/04, *Ruiz Picasso v OHIM* [2006] E.C.R. I-643; [2006] E.T.M.R. 29, cited at paragraph 78 of Mr Bryant’s decision). In this case, it is possible that the Hearing Officer was aware of the historical association between these animals in terms of bull-baiting, but it is not clear from the decision whether he *was* aware of it, or whether he mentioned it either because of the dictionary definition to which he refers or because of the reference to it by Red Bull. However, there was nothing in Red Bull’s evidence to establish as a fact that the average consumer of non-alcoholic drinks in the United Kingdom would be aware of that fact or would (unprompted) have been likely to have the necessary knowledge to make any association between bulls and bulldogs on such a basis. It seems to me that such historical association is very unlikely to be something which would readily occur to

members of the relevant public when buying a non-alcoholic drink in a bar or shop, and I do not consider that Mr Bryant's analysis can be criticised in this respect.

32. The only remaining question, therefore, on this point is whether Mr Bryant made a material error in failing specifically to deal with the alleged similarities in the characteristics of bulls and bulldogs other than their physical characteristics, which he did consider. That point had been raised in Red Bull's written submissions as well as in its Statement of Grounds. Plainly, Mr Bryant did not address the point in terms, but I think it clear that he would not have distinguished this point from the more general point, which he did address, of the differences between the two animals. I think this is a point on which his decision might have been better expressed, but I am not persuaded that he made any material error of fact or law.

33. Red Bull nevertheless submitted that Mr Bryant had erred in law in relying upon the *Ruiz-Picasso* case. In a passage at paragraphs 78-80 of his decision, where he drew together all of his conclusions on the likelihood of confusion between Red Bull's nine marks and Sun's mark, he said:

"78)... I concluded that the most of the various earlier trade marks share either a low or very low level of similarity with Sun Mark's trade mark and with one (IR 867085) sharing a modest level of similarity. Despite all being trade marks consisting of, or containing the word BULL, they all share one common difference when compared with Sun Mark's trade mark. This is that they are all conceptual [*sic*] different. The ECJ has provided some guidance on the weight to be given to conceptual differences where, in *Claude Ruiz-Picasso et al v OHIM (Picasso/Picaro)* C-361/04 P, it commented:

"20. ...where the meaning of at least one of the two signs at issue is clear and specific so that it can be grasped immediately by the relevant public, the conceptual differences observed between

those signs may counteract the visual and phonetic similarities between them...

21. ...such a finding is, in this case, entirely part of the process designed to ascertain the overall impression given by those signs and to make a global assessment of the likelihood of confusion between them”

79) In respect of the comparison between Red Bull’s nine earlier trade marks and Sun Mark’s trade mark, I concluded that they all shared a modest, low or very low level of similarity and that Sun Mark’s trade mark has a clear meaning which is easily distinguishable from the meanings of all of Red Bull’s trade marks, when viewed as a whole. Giving due notice to the fact that the purchasing act for such goods may not involve a particularly well considered approach, I nevertheless believe these conceptual differences are sufficient to overcome any visual or aural similarity arising from the presence of the shared word BULL. Therefore, having consideration for all the relevant factors and acknowledging the enhanced level of distinctive character that is enjoyed by the earlier trade [sic], I conclude that there is no likelihood of confusion for these goods. The similarities identified will result in the later trade mark doing no more than bringing the earlier trade marks to mind. It would not lead the relevant public into believing that the respective goods originate from the same or economically linked undertaking and as such, there is no direct or indirect confusion.

80) I, therefore, find there is no likelihood of confusion in respect to all nine of Red Bull’s earlier rights and Sun Mark’s trade mark. Therefore, the opposition under Section 5(2) (b) fails.”

34. Red Bull submitted that the Hearing Officer had been wrong to rely upon the *Ruiz-Picasso* case, because there one of the marks in question had a meaning, but the other was meaningless. Those were indeed the facts of that case, but the guidance given by the ECJ applies even where both marks have a clear meaning, for at paragraph 20 of the decision the Court referred to cases “where

the meaning of *at least one* of the two signs at issue is clear” (emphasis added). In paragraph 2 of the Grounds of Appeal, Red Bull also suggested that reliance upon *Ruiz-Picasso* reflected an error of law because Mr Bryant failed to consider the conceptual similarity between the marks in question and concentrated instead upon the differences between them. I do not accept that criticism of the decision. Mr Bryant’s conclusion that the marks are conceptually different seems to me to be one which he was fully entitled to reach.

35. There are two further issues raised by the appellant which I must consider in relation to the section 5(2)(b) grounds of opposition.

*Ground 1 – family of marks*

36. In paragraph 1 of the Grounds of Appeal, it was suggested that the Hearing Officer erred as a matter of law in assuming, wrongly, that “indirect, origin confusion” could only arise if Red Bull proved use of a family of marks. I think it is fair to say that the Hearing Officer did look at the question of the likelihood of confusion from this point of view, however, plainly he did so because this was Red Bull’s own approach to the opposition. In the very first sentence of paragraph 1(a) of the Statement of Grounds of Opposition, Red Bull claimed to be “the proprietor of a large family of marks ... which begin, consist of or contain the word BULL.” It went on, in paragraph 1(f) to say “The mark applied for will mislead consumers into thinking that it is “another BULL mark” in Red Bull GmbH’s family, especially bearing in mind the goods applied for.” In those circumstances, I do not think that the Hearing Officer can be blamed for looking at the question of a likelihood of confusion from this point of view. Nor do I think that he misdirected himself as a matter of law in this regard, in his application of Case C- 234/06, *Il Ponte Finanziaria SpA v OHIM*, [2007] E.C.R. I-7333; [2008] E.T.M.R. 13.
37. In any event, paragraph 79 of the Hearing Officer's decision suggests that had he found that there was a likelihood of confusion with any one of Red Bull’s

earlier marks, he would plainly have found in favour of Red Bull under section 5(2)(b).

38. I do not consider that this point shows that the Hearing Officer erred.

*Ground 5: enhanced distinctiveness of Bull*

39. Lastly, in relation to 5(2)(b), Red Bull alleged that the Hearing Officer had made a material error in failing to find that the Bull mark was entitled to an enhanced level of protection due to the use made of it in the marketplace. In particular, Red Bull complained that the Hearing Officer's findings were contrary to evidence that he had identified in paragraphs 10 and 16 of his decision. In paragraph 10, the Hearing Officer had summarised Ms Powers' evidence that Red Bull's F1 teams are commonly referred to as the "Racing Bulls," its pilots as the "Flying Bulls" and a drink of Red Bull and vodka as a "Vodka Bull". In paragraph 16, he referred to one of Ms Powers' exhibits, a survey conducted in Germany in 2006, which showed high recognition of the name "Bull" in connection with Red Bull.

40. The Hearing Officer dealt with the claim to enhanced distinctiveness in paragraphs 69 to 71 of his decision. Having referred to *Steelco* (BL O/268/04), he concluded in paragraph 71 that

"Red Bull's evidence only goes to illustrate use of its RED BULL trade mark and no specific information is provided regarding any of its other earlier rights that it relies upon. I therefore conclude that, with the exception of 2306424 RED BULL and CTM 3481554 RED BULL ENERGY DRINK with device, the level of distinctive character of Red Bull's earlier rights is not enhanced through use."

41. It does not seem to me that the criticism of the Hearing Officer's findings with regard to the Bull mark is justified. Although a passage in Ms Powers' witness statement is headed BULL, she deals with the use of a number of different marks including the word 'bull'. Moreover, although she says "The term "BULL" is frequently used both by Red Bull and the public to designate its product, its

teams and its marketing activities," none of the evidence relates to the use of the word 'bull' alone, save for the market survey evidence which she produces. However, as Mr Bryant pointed out, the market survey in JP19 related to recognition of the word 'bull' in Germany. Exhibits JP20 and 21 relate to similar surveys carried out in The Netherlands. I was invited to find that an enhanced reputation in the UK could be inferred from these surveys from other jurisdictions, but it seems to me that there was nothing in Ms Powers' witness statements to prove that the word 'bull' alone has any enhanced reputation in the UK. Indeed, she does not assert that such is the case. The emphasis of her witness statement is upon the enhanced reputation of the name Red Bull, which the Hearing Officer accepted. In the circumstances, it does not seem to me that the appellant has identified any error in the decision in this respect.

42. For all of these reasons, I reject the appeal in so far as it relates to the section 5(2)(b) grounds.

*Ground 8: Bad faith*

43. I think it convenient to deal next with paragraph 8 of the Grounds of Appeal, in which Red Bull claimed that the Hearing Officer erred in law in assessing the allegation of bad faith, because Red Bull seeks to rely on Sun's behaviour in support of its arguments as to section 5(3).
44. In the Grounds of Appeal, Red Bull said that the Hearing Officer had erred as a matter of law in his approach to bad faith, as "despite having put in issue the width of the specification relating to the Application, he failed to appreciate that the only product upon which the Applicant uses and intends to use the Application is a non-fruit based drink, ... and has no bona fide intention to use the Application."
45. It seems to me that this ground of appeal is not based on an error of law, but amounts to an allegation that the Hearing Officer failed to deal with a specific allegation of fact in relation to bad faith. The difficulty, as I see it, is that the

allegation does not appear in the Statement of Grounds of opposition, or if it is included or implied in that document, it is certainly not clearly pleaded in the terms now relied upon. The allegations made in that document can be summarised as follows:

- (a) Sun was aware of Red Bull's business and 'Bull marks' not least because of revocation proceedings filed by Red Bull a few days before Sun applied for the Bulldog mark. Those proceedings related to a mark, Bullet, owned by a company closely connected to Sun, which had been registered with effect from September 2000 for health fruit drinks etc in Class 32. Red Bull's revocation application succeeded upon the basis of that mark's incompatibility with an earlier mark 'Bullit', which Red Bull had acquired in 2005. See BL O/192/08, 4 July 2008.
- (b) After the revocation application was filed, Sun made several trade mark applications (of which Bulldog was the earliest) for marks including the word Bull. Red Bull alleged that these applications were "intended to antagonise" it, or to retaliate for the revocation proceedings, and that such behaviour fell below acceptable standards of commercial behaviour and it was "likely" that Sun had no intent to use the marks.
- (c) The specification for the Bulldog mark does not include 'energy drink', unlike other applications made by Sun, suggesting that Sun was 'trying to disguise or hide' the Bulldog application from Red Bull, especially as 'Bullet' was registered for health fruit drinks but used on energy drinks.

46. In Ms Powers' first witness statement, the only evidence relating to bad faith was in paragraph 25. She referred to a sample of the Bullet product and commented that it was a 'copycat' product using a similar colour scheme and packaging to the Red Bull energy drink. She added that she could see no logical explanation for Sun's various applications other than as alternative 'copycat marks' in case Bullet was cancelled, or as retaliation against Red Bull for the revocation actions. I note, however, that the elements of get-up to which Ms Powers refers are extraneous to the mark applied for, which is a word mark. In her second witness statement, whilst she pointed out various inconsistencies in Mrs Ranger's witness

statement in particular as to the reasons why she had chosen the wording of the Bulldog specification, she added no further evidence to support the allegations of bad faith.

47. Where an allegation of bad faith is made, it should be properly and specifically pleaded, and before a finding of bad faith will be made the allegation must also be supported by the evidence. In *Royal Enfield* (supra), Mr Thorley QC held:

"An allegation that a trade mark has been applied for in bad faith is a serious allegation. It is an allegation of a form of commercial fraud. A plea of fraud should not be lightly made (see Lord Denning M.R. in *Associated Newspapers* [1970] 2 QB 450 at 456) and if made should be distinctly alleged and distinctly proved. It is not permissible to leave fraud to be inferred from the facts (see *Davy v. Garrett* (1878) 7 Ch.D 473 at 489). In my judgement precisely the same considerations apply to an allegation of lack of bad faith made under section 3(6).

It should not be made unless it can be fully and properly pleaded and should not be upheld unless it is distinctively proved and this will rarely be possible by a process of inference."

This practice is reflected in TPN 4/2000.

48. It seems to me that the particular point on bad faith which is raised in paragraph 8 of the Grounds of Appeal - that Sun did not have the necessary intention to use the Bulldog mark on the goods within the specification – was not clearly pleaded (if indeed it was pleaded at all) in the Statement of Grounds of opposition. Whilst it was said that Sun did not intend to use the Bulldog mark, that point did not relate to the scope of goods within the specification but reflected the allegation that the application had been made to antagonise Red Bull. Similarly the point that the current specification does not include the term 'energy drinks', was not said to show a lack of intention to use the mark on goods within the specification, but that Sun was trying to 'hide' the application from Red Bull. Furthermore, as indicated above, it was not supported by the evidence of Ms Powers. The point put in paragraph 8 of the Grounds of Appeal



was, however, raised by Messrs Mewburn Ellis in their written submissions to the Hearing Officer.

49. Mr Bryant dealt with bad faith in paragraph 107:

"I have already found that Sun Mark's trade mark does no more than bring to mind the trade mark RED BULL ... As such, it is difficult to see how Sun Mark's action of filing its application can amount to a dealing which falls short of the standards of acceptable behaviour. Red Bull make allegations that the intention of Sun Mark was to antagonise it and to disguise the application from being detected by it, but no evidence of this is provided and I am unable to conclude that there was any knowledge that what Sun Mark was doing would be regarded as dishonest. In making this finding, I have been mindful that Sun Mark cannot escape such an accusation because it sets its own standards of honesty."

He rejected the allegation of bad faith.

50. It is right, therefore, that Mr Bryant did not deal with the particular allegation of bad faith raised in paragraph 8 of the Grounds of Appeal, even though it had been raised in the written submissions made to him. However, in my judgment that allegation certainly was not clearly or adequately pleaded, nor was it supported by the evidence of Ms Powers. In the circumstances, and bearing in mind the guidance given by Mr Thorley QC in *Royal Enfield*, it seems to me difficult to suggest that the Hearing Officer erred in failing to deal with that allegation.

51. In any event, I do not consider that the evidence before the Hearing Officer would have justified making a finding of bad faith on the basis that Sun had no *bona fide* intention to use the Bulldog mark on goods within the specification, for the following reasons: Sun's evidence indicated that it was looking for an alternative mark to use should its Bullet registration be revoked. It is fair to infer that any such alternative mark would have been used on the same or similar

products. Red Bull says that the Bullet product was an energy drink, and I do not think that this is disputed by Sun, but I note that the specification for that mark was almost identical to that sought for the Bulldog mark, namely 'Health fruit drink; health fruit juice drink, still and carbonated.'

52. A photograph of a can of the Bullet energy drink was exhibited by Ms Powers, which showed a list of ingredients not obviously including fruit or juice, but Ms Powers did not give any evidence about the nature of those ingredients in her witness statements. If (as counsel told me) it is correct that the Bullet drink contained neither fruit nor fruit juice, Sun's past use of the mark on that product may not have fallen within the specification for that mark. Equally, future use of the Bulldog mark on identical products may not amount to use on goods falling within the specification in the current application. However, Red Bull did not adduce any evidence as to what sort of drinks would properly fall within Sun's specification(s), nor as to the nature of the ingredients of the Bullet drink, so that I am not in a position to come to any firm conclusion to that effect.
  
53. Assuming that Red Bull is right to say that use on a drink such as that sold under the Bullet mark would not be use on goods within the specification applied for, Red Bull relied upon section 32(3) of the 1994 Act. This provides that a trade mark application shall contain a statement by the applicant that the trade mark applied for is being used in relation to the relevant goods or services, or that he has a bona fide intention that it should be so used. In *DEMON ALE Trade Mark* [2000] R.P.C. 345 (see especially p.356) and *Ferrero SpA's Trade Marks* [2004] R.P.C. 29 the Appointed Persons held that where the applicant's statement of intention to use is materially false, so that the applicant was not a person who could truthfully claim to have a bona fide intention to use the mark, then the application may have been made in bad faith. In each of those cases, bad faith was found because the applicant had no intention to use the mark at all and this fell short of the standards of acceptable commercial behaviour.

54. However, the position is different where the application is made for the wrong goods by reason of an honest mistake on the part of the applicant. In *Robert McBride's application*, BL O/355/4, 22 November 2004, Mr Richard Arnold QC, sitting as the Appointed Person, considered a bad faith objection to an application to register a 2-dimensional mark which should have been an application to register the shape of the 3-dimensional product. The opponent contended that the applicant lacked a bona fide intention to use the mark applied for, that its statement on its application form was materially false, and so the application was made in bad faith. There was no evidence that the applicant had deliberately chosen to register his mark as a 2D mark to avoid potential objections to it as a 3D mark.
55. At paragraph 36, Mr Arnold QC held that what mattered was the applicant's intention at the date of application. Moreover, at paragraph 44 he applied the 'combined test' for dishonesty discussed by the Court of Appeal in *Harrison v Teton Valley Trading Co Limited* [2005] F.S.R. 10, holding that "to constitute bad faith within section 3(6), it is not enough for the applicant to have made a statement of intention to use the mark applied for that turns out to have been incorrect, it must be shown that the applicant knowingly made a false statement (or, possibly, made a statement with reckless disregard for whether it was true or false). An honest, but mistaken, statement that the applicant intends to use the mark is not bad faith." On the facts of that case, the opponent had not demonstrated that the application was made in bad faith. In my judgment, Mr Arnold's conclusion reflects the fact that the objection is not to the fact that the applicant has made an incorrect statement of intention to use the mark, but that the statement was made in bad faith.
56. Ms Powers suggested in paragraph 30 of her first witness statement that Sun's counter-statement was incorrect in claiming that the wording of the Bulldog specification came from the class heading for Class 32. The class heading certainly does not include the words 'health,' 'still' or 'carbonated.' However, Ms Ranger explained at paragraph 15 of her 1<sup>st</sup> witness statement "When registering

- Bullet I looked at the classification section and copied down the words I thought were relevant to our drink." She may have done that in 2000, albeit adding further words to the specification, even if she did not choose the most appropriate words to describe the Bullet product, assuming that it was in production or development at that time.
57. It seems clear that in January 2007 Ms Ranger chose to use substantially the same words in the specification for the Bulldog mark. Sun was at that time aware of Red Bull's concerns about its activities. There is no evidence that Sun was dishonest in its choice of the wording of the specification or that it was reckless as to the accuracy of the specification. The Hearing Officer rejected Red Bull's allegation that the Bulldog application was made to antagonise it and, in the circumstances, it seems to me that I should infer that the explanation for the Bulldog application is that given by Ms Ranger, namely, that it was intended to provide Sun with a suitable alternative mark to Bullet. Equally, one can infer that the purpose of the application was to obtain the protection of a UK trade mark registration for its proposed use of that mark. Even if that attempt may have been misguided and possibly ineffectual, in my judgment Red Bull has not demonstrated that the choice of the wording for the Bulldog specification was anything but an honest attempt to gain such protection.
58. On that basis, even giving Red Bull the benefit of the doubt as to whether this point was adequately pleaded, I decline to find that the application was made in bad faith.
59. A completely new allegation of bad faith was made in the skeleton argument for the appeal, namely that Sun acted in bad faith because it was "stock-piling trade mark registrations" with no intention to use them. Red Bull referred to the fact that Sun had applied for a number of alternative marks, and sought to rely upon *Ferrero SpA's Trade Marks* (above) in which Mr David Kitchin QC, sitting as the Appointed Person, found bad faith because of a lack of intention to use the marks, where over 60 marks had been registered but only 6 were used.

60. I do not consider that anything in the Statement of Grounds of opposition amounts to an allegation of "stock-piling" nor was this point raised either before the Hearing Officer or even in the Grounds of Appeal. I do not consider it appropriate to seek to overturn the Hearing Officer's decision on bad faith on the basis of such a wholly new and unpleaded allegation.
61. For those reasons, I reject the appeal against the Hearing Officer's decision under section 3(6).

*Ground 7: section 5(3)*

62. Paragraph 7 of the Grounds of Appeal raised two points relating to Red Bull's grounds of opposition under section 5(3), first, that the Hearing Officer's conclusions should be revisited in the light of the ECJ's subsequent decision in Case C-487/07, *L'Oréal v Bellure*, [2010] R.P.C. 1; [2009] E.T.M.R. 55, decided the month after Mr Bryant produced his decision, and secondly that the Hearing Officer confused the requirements for taking unfair advantage with those for being detrimental to the distinctive character or repute of the mark. At the hearing Mr Edenborough told me that the sole point he wished to pursue on the appeal under section 5(3) was that the Bulldog mark took unfair advantage of Red Bull's reputation.
63. The section 5(3) grounds of opposition were based upon only two of the nine earlier Red Bull marks cited under section 5(2). These were UK trade mark No 2306424, RED BULL and (oddly) CTM 4381554, a Red Bull colour label. The latter mark is subject to a disclaimer of the words 'Red Bull' and the device element of the mark, so the only element of the mark which is not disclaimed is the 'systematic' arrangement of the colours blue, silver, red and gold. This would seem to have no relevance to Sun's Bulldog word mark. The section 5(3) grounds were not based upon any other marks, and in particular no reliance was placed on the Bull mark, despite a reference in paragraph 2 of the Statement of Grounds of opposition to Red Bull's "unique and enviable reputation in its BULL

trade marks.” So the issue under section 5(3) arises only in relation to the mark consisting of the Red Bull name.

64. The Hearing Officer's findings on this point were based on the decision of the ECJ in Case C-252/07, *Intel Corp v CPM UK Limited* [2009] R.P.C. 15; he also considered a number of earlier cases mentioned in paragraphs 83 and 91 to 97 of the decision. At paragraph 89 of his decision, Mr Bryant found that although the marks shared ‘only a lowish level of similarity’, the identity of the goods and the extent of Red Bull’s reputation meant that ‘the later trade mark would bring the earlier trade mark to mind.’ Hence he found a link, as discussed in *Intel*, and there is no appeal against that finding. However, he thought that it was not a strong enough link to be likely to cause detriment or dilution.

65. The Hearing Officer also found that there was no unfair advantage. In paragraphs 96-97 he said:

“96. Finally, in relation to unfair advantage (“free-riding”), taking account of my finding in relation to the strength of the link, I see no obvious reason why Sun Mark will gain any form of advantage from Red Bull’s trade marks and reputation. The mere bringing to mind of an earlier trade mark is not, in itself, sufficient to bring about the requisite change in the economic behaviour of people in the market place (*Electrocoin Automatics Limited v Coinworld Limited and Others* [2005] FSR 7, paragraph 102). I am also mindful of the comments of Geoffrey Hobbs QC sitting as the Appointed Person in *C A Sheimer (M) Sdn Bhd’s TM Application (VISA)* [2000] RPC 484:

“I think it is clear that Sheimer would gain attention for its products by feeding on the fame of the earlier trade mark. Whether it would gain anything more by way of a marketing advantage than that is a matter for conjecture on the basis of the evidence before me. Since I regard it as quite likely that the distinctive character or reputation of Visa International’s earlier trade mark would need to increase the marketability of Sheimer’s

products more substantially than that in order to provide Sheimer with an unfair advantage of the kind contemplated by Section 5(3) I am not prepared to say that requirement (iv) [that it would, without due cause take unfair advantage of the distinctive character or repute of Visa International's earlier trade mark] is satisfied."

97. In addition the "proprietor of an earlier mark is not required to demonstrate actual and present harm to his mark. He must however adduce *prima facie* evidence of a future risk, which is not hypothetical, of unfair advantage or detriment" (*Spa Monopole v Office for Harmonization in the Internal Market (OHIM)* T-67/04, paragraph 40). However Red Bull's evidence fails to demonstrate that (i) for those people who make a link between the respective trade marks, the link they make will affect their economic behaviour; (ii) the reputation of the earlier trade mark will be transposed to the later trade mark with the result that marketing and selling of Sun Mark's goods becomes easier. This, together with my findings on the nature of the link and the low level of similarity between the respective trade marks brings me to the conclusion that Sun Mark will not benefit from any unfair advantage."

66. Red Bull did not identify to me any factual issues relevant to the application of *L'Oréal* which Hearing Officer had failed to address, nor was I addressed on any issues arising from his summary of the law prior to *L'Oréal*.
67. In *L'Oréal v Bellure*, the defendants had been producing cheap 'smell-alike' versions of fine fragrances. The claimant said that the packaging used by the defendants, which was reminiscent of that used and protected by trade mark registrations by the claimant, led to infringement under section 10(3) (equivalent to section 5(3)). The Court of Appeal held that "if the defendant's sign brought to mind the registered mark, in practice it would serve to tell the consumer that the product concerned smelt somewhat like the "original" and hence influence the purchase." (*per* Jacob LJ at [2008] R.P.C. 9 at §82). The link between the

defendants' goods and the registered marks (if established) would, therefore, confer a commercial advantage on the defendants, and the questions referred to the ECJ by the Court of Appeal related to whether such an advantage was unfair. The ECJ held that such an advantage *may* be unfair, even if there is no detriment to the distinctive character or repute of the mark. Moreover, the requirement (set out in *Intel*) of showing that the use of the later sign will have an effect upon the economic behaviour of consumers, in cases of unfair advantage requires the trade mark proprietor to show that the later sign will draw a benefit from the power of attraction of the earlier mark. The central passages of the ECJ's judgment relevant to the current case are as follows:

Paragraph 37: the existence of "a link in the mind of the public constitutes a condition which is necessary but not, of itself, sufficient to establish the existence of" unfair advantage

Paragraph 41: "taking unfair advantage of the distinctive character or the repute of the trade mark", also referred to as "parasitism" or "free-riding", ... relates not to the detriment caused to the mark but to the advantage taken by the third party as a result of the use of the identical or similar sign. It covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear 'exploitation on the coat-tails' of the mark with a reputation.

Paragraph 44: to assess unfair advantage, the court must carry out a 'global assessment' of the facts, including the strength of the mark's reputation/distinctive character, the degree of similarity between the marks and between the goods concerned. The stronger the mark's reputation the greater, the likelihood that use of the defendant's sign will take unfair advantage of it.

Paragraph 48: in order to determine whether ... unfair advantage is being taken of the distinctive character or the repute of the mark, that court will, in particular, have to take account of the fact that the use of [the similar mark] is intended to take advantage, for promotional purposes, of the distinctive character and the repute of the [earlier] marks.



Paragraph 49: where a third party attempts, through the use of a sign similar to a mark with a reputation, to ride on the coat-tails of that mark in order to benefit from its power of attraction, its reputation and its prestige, and to exploit, without paying any financial compensation and without being required to make efforts of his own in that regard, the marketing effort expended by the proprietor of that mark in order to create and maintain the image of that mark, the advantage resulting from such use must be considered to be an advantage that has been unfairly taken of the distinctive character or the repute of that mark.

68. The Court of Appeal considered the ECJ's judgment in *L'Oréal in Whirlpool Corp v Kenwood Limited* [2010] R.P.C. 2; [2010] E.T.M.R. 7. In that case, the complaint was of infringement of a trade mark consisting effectively of a depiction of the claimant's well-known Kitchen Aid food mixer. The proprietor argued that if use of a sign which is sufficiently similar to a mark with reputation for a link to be established gave any commercial boost or other advantage to the user of the later mark, then that advantage was of itself, unfair. That argument was rejected by the Court of Appeal, because it deprived the word "unfair" of any meaning. On the contrary, at paragraphs 136-7 of his judgment, Lloyd LJ held that

"136 ... it is not sufficient to show ... that Kenwood has obtained advantage. There must be an added factor of some kind for that advantage to be categorised as unfair. It may be that, in a case in which advantage can be proved, the unfairness of that advantage can be demonstrated by something other than intention, which was what was shown in *L'Oréal v Bellure*. No additional factor has been identified in this case other than intention.

137 The question of unfair advantage has to be considered in the round, using a global assessment as indicated in *Intel* in [79] of the Court's judgment. As Advocate General Sharpston said at point 65 of her Opinion in *Intel*, unfair advantage is the more likely to be found if the mark is more distinctive and if the goods or services are more similar. The Board

of Appeal in *Mango* also said that unfair advantage is the more likely where there is greater similarity of goods as well as where the mark is more distinctive, but that was a case where the mark was identical, and strongly distinctive, and the goods were not the same but they were in an associated or overlapping field. The Court in *L'Oréal v Bellure* also referred to the importance of the strength of the reputation of the mark, and the strength of the reminder, reiterating what had been said in *Intel*. Here, although the relevant goods are very similar (even identical if one is considering the category stand mixers), the mark is distinctive, but not strongly so, nor is the reminder strong. That is therefore another pointer away from unfair advantage.”

69. The Grounds of Appeal suggest that paragraphs 96 and 97 of the decision would have been decided differently in the light of *L'Oréal*, because the Hearing Officer would not have looked for evidence that the link caused a change in the economic behaviour of consumers. Paragraph 96 of the decision suggests that the Hearing Officer's view was that cases of unfair advantage, like cases of detriment of the solution, turn upon proof of a change (or real likelihood of change) in the economic behaviour of consumers. His reference to Mr Hobbs QC's comments in *Sheimer* suggests that he thought that this must go beyond 'feeding on the fame of' the earlier mark, to increase substantially the marketability of Sun's products. On the other hand, in paragraph 97, the Hearing Officer considered two points which he said needed to be established by Red Bull's evidence, the first was that the existence of the link would have an impact on the economic behaviour of consumers, and the second was that the link would confer some advantage on Sun in terms of marketing or selling its goods. This paragraph suggests that Mr Bryant saw these as alternative ways of establishing an advantage.
70. Whether the Hearing Officer's findings are erroneous may depend upon whether there is any real distinction to be drawn between the notion of taking advantage of a mark in the terms described in *L'Oréal*, and having an impact on the

economic behaviour of consumers of the junior mark. Paragraphs 96 and 97, taken together, perhaps suggest that the Hearing Officer (in following *Sheimer*) was looking for a higher level of commercial advantage than may be necessary in the light of *L'Oréal*. If so, this may reflect an error of law which requires me to reconsider this point. In the circumstances, I shall seek to apply the law as to unfair advantage as it stands after *L'Oréal* to the facts found by the Hearing Officer.

71. As the Hearing Officer found that there was a 'link', I must consider whether Sun would derive any advantage from it, in terms of a 'boost' to its trade in goods marked with the Bulldog mark, 'on the coat-tails' of the Red Bull mark. Paragraph 44 of *L'Oréal* and the factors mentioned in paragraph 137 of *Whirlpool* indicate that there must be a global assessment of a likelihood of advantage being taken of the Red Bull mark, weighing Red Bull's strong reputation and the fact that the relevant goods are identical against the low level of similarity between the marks found by the Hearing Officer. The Hearing Officer found at paragraphs 40 to 43 of the decision that the marks had a low level of visual similarity, and a low level of aural similarity, but that they were conceptually different. On balance, this resulted in a low level of similarity between the marks leading to no likelihood of confusion as to origin.
  
72. In the Statement of Grounds of opposition, Red Bull said that Sun intended to 'piggy-back' on the reputation of 'its Bull trade marks'. However, as I have said, the 5(3) opposition was based only (in effect) on the Red Bull word mark. Ms Powers stressed in paragraph 29 of her 1st witness statement that Red Bull was not seeking a monopoly in marks comprising the word 'bull'. However, Mr Edenborough submitted that the extent of Red Bull's reputation is such that it would be reasonable to infer that anyone applying to register a mark for energy drinks which contained the word 'bull' in any shape or form did so with the intention of taking unfair advantage of Red Bull's mark. I do not accept that it would be right to draw such an inference in this case for several reasons. Red Bull did not rely upon the Bull mark, nor upon its 'family' of marks for the

- purpose of its opposition based on section 5(3). This is significant because the Hearing Officer had found (at paragraph 71) that the evidence before him did not justify making a finding that the word 'bull' alone had any enhanced distinctiveness in the UK. In addition, to draw such an inference in every case would confer on Red Bull a monopoly which it claims not to seek and no such inference should be drawn, in my view, without appropriate supporting evidence.
73. Red Bull's evidence as to unfair advantage in this case was wrapped up with its evidence on bad faith. In paragraph 23 of her first witness statement, Ms Powers complained of widespread attempts to launch 'copycat' products under marks similar to Red Bull's marks, to take advantage of its reputation and goodwill. In paragraphs 25 and 26, she complained that the Bullet product was a 'copycat' product, and inferred that any Bulldog product would be a 'copycat' product too. She also complained of Sun's alternative trade mark applications. However, she gave no specific evidence of any way in which use of the Bulldog mark as such either was intended to or would confer an advantage upon Sun, but the thrust of her evidence related to her view that the product would be a 'copycat' product.
74. It does not seem to me that I am in a position to infer that in normal and fair use, the Bulldog mark would be used on a 'copycat' product. I note that the Bullet mark was revoked because of its similarity to a different earlier mark, 'Bullit'; the revocation had nothing to do with the Red Bull word mark, nor was any finding made that the product was a 'copycat' product. The Bulldog mark is a word mark only, which is not yet in use. Red Bull's allegations of bad faith have been rejected. Given the lack of evidence on these points, I do not consider that there are grounds to infer that products sold under the Bulldog mark would be 'copycat' products or that Sun intended to take an unfair advantage of Red Bull's reputation.
75. In assessing whether the link between the marks would confer any advantage on Sun, the strength of Red Bull's reputation and the identity of the goods must be weighed against the weakness of the link found by the Hearing Officer due to the

low level of similarity of the marks. It seems to me that Red Bull's evidence does not establish an actual or future risk that the link will give Sun any such advantage. Furthermore, in my view, it is relevant to note that the Hearing Officer considered that the nature of the link was not likely to lead to a change of economic behaviour on the part of consumers of the Red Bull product, such as to cause detriment by dilution or tarnishment. Such consumers are also potential consumers of the Bulldog product, given the identical goods concerned. If there is no risk of economic detriment to Red Bull, it does not seem to me that one may simply infer that there would nevertheless be an economic benefit to Sun.

76. In the circumstances, I conclude that Red Bull's opposition under section 5(3) must also fail.

77. For all of these reasons, the appeal will be dismissed.

78. In the circumstances, Sun is entitled to a contribution towards its costs of the appeal. It was not legally represented. Mr Richard Arnold QC, acting as the Appointed Person in *South Beck*, B/L O/160/08, commented:

"36. In my judgment the approach which should be adopted when the Registrar is asked to make an award of costs in favour of a litigant in person is as follows. The hearing officer should direct the litigant in person pursuant to r. 57 of the 2000 Rules to file a brief schedule or statement setting out (i) any disbursements which the litigant claimed he has incurred, (ii) any other financial losses claimed by the litigant and (iii) a statement of the time spent by the litigant in dealing with the proceedings. The hearing officer should then make an assessment of the costs to be awarded applying by analogy the principles applicable under r. 48.6, but with a fairly broad brush. The objective should be to ensure that litigants in person are neither disadvantaged nor overcompensated by comparison with professionally represented litigants."

80. Rule 57 of the 2000 Rules has been replaced by Rule 62 of the 2008 Rules. In accordance with the principles set out above, if Sun wishes to seek an order for costs in its favour, it should provide a brief schedule of costs setting out any disbursements incurred, any other financial losses claimed and a statement of the time spent in dealing with the appeal. This should be submitted to me (via the Treasury Solicitor's Office) and copied to Red Bull's solicitors, by 5 p.m. on 1 March 2010. Red Bull may provide me with any comments by 5 p.m. on 12 March 2010.

Amanda Michaels  
16 February 2010

*Schedule of Red Bull's marks*

Number	Mark
M(EU) 867085	BULL
2306424	RED BULL
M790480	BULL RUSH
M790478	LORD BULL
M790482	ENERGY BULL
CTM 4771473	CRAZY BULL
CTM 4909297	BULL'S CORNER (and bull device)
CTM 4771499	EXTREME BULL
CTM 4381554	RED BULL (label, with disclaimers)

Mr Michael Edenborough, instructed by Messrs Laytons, appeared for the appellant.

Dr Rami Ranger, the managing director of the respondent, appeared on its behalf.